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# *ECONOMIC AND DEMOGRAPHIC REPORT*

# POPULATION OVERVIEW

ST. LOUIS IS CRITICAL TO REGIONAL PROSPERITY BUT IS ALSO A CITY OF GREAT ECONOMIC DISPARITY.

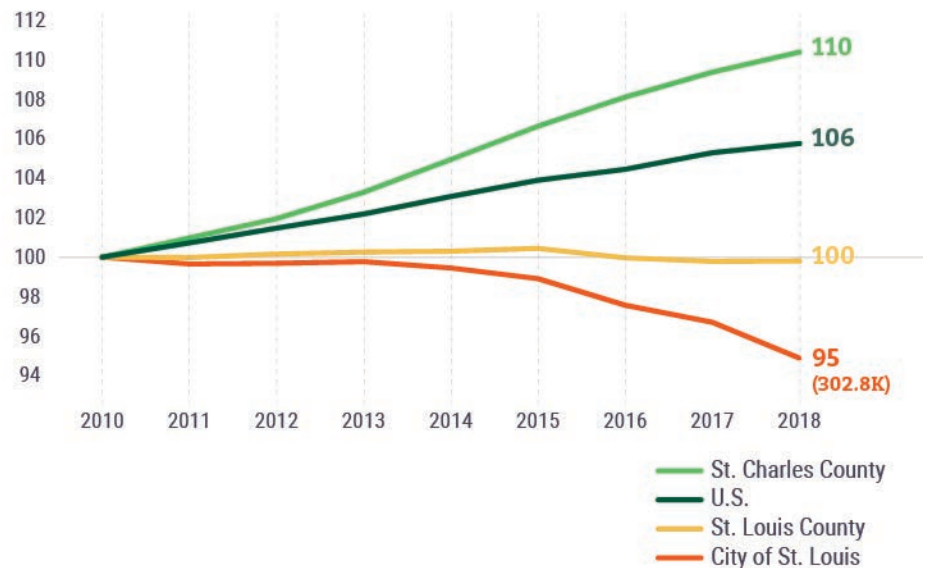
Although today it is considered a medium-sized city, the City of St. Louis once had among the country's largest urban populations. By the late 19th century, it was the country's fourth largest city, and by the mid-20th century, it had reached a population of over 850,000.<sup>1</sup> Since then, the city has experienced sustained population decline,

and there is some evidence that decline has accelerated in recent years. In 2018, the American Community Survey (ACS) estimated the city's population at 302.8K, a decline of 5.8K from 2017, 16.3K from 2010, and almost 550K less than its peak.<sup>2</sup> (See Figure ED-1.) The upcoming 2020 decennial census will provide a more accurate picture of population trends over the course of the last decade.

<sup>1</sup> A Brief History of St. Louis. (n.d.). Retrieved from City of St. Louis website: <https://www.stlouis-mo.gov/visit-play/stlouis-history.cfm>

<sup>2</sup> U.S. Census Bureau American Community Survey 2010, 2017, and 2018 1-year release

**Figure ED-1.** Population indexed to 2010 levels



Source: U.S. Census Bureau American Community Survey, 2010-2018 1-year release; Mass Economics analysis

Note: MSA data for 2012 and prior years includes Washington County, but MSA data for 2013 and later years excludes Washington County; for consistency, MSA and rest of MSA geographies were excluded.

# The Impact of Race

**44%**  
White

**45%**  
Black/  
African American

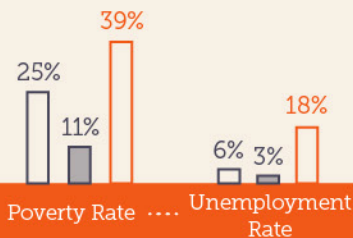
4% Hispanic  
3% Other  
4% Asian

**Almost half of St. Louisans are Black/African American.**

(As a comparison, 12% of the citizens in our country are Black/African Americans.)

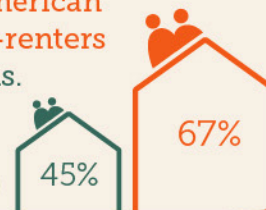
North St. Louis has **93%**  
Black/African American St. Louisans.

□ City of St. Louis  
■ Rest of the MSA  
□ North St. Louis



More Black/African American St. Louisans are home-renters than White St. Louisans.

(Percent of renter occupied housing units)



St. Louis ranks **18/97** among the 97 largest U.S. cities in terms of **INCOME INEQUALITY**.

A Black/African-American employee makes on average

**48%**  
of a white employee.



Between 2010 and 2018, the **DECLINE** in the City's Black/African-American population (-20,300) was the major driver of the City's total loss of 16,300 residents.



Improving **OPPORTUNITIES** for **Black/African-American St. Louisans** is **CRITICAL TO STABILIZING** the City's population and economy.



Sub-geographies within the city exhibit different population and economic trends. To understand these, we look at the “north” portion of the city, which is north of Delmar; “central corridor,” which refers to the area between Delmar and Chouteau Ave./I-64; and “south,” which refers to the area south of Chouteau Ave./I-64. (See Figure ED-2.)\*

\*Note: These geographies are frequently used to partition the city. Although useful for understanding dynamics within the city, they are limiting in that they fail to capture most of the nuance around demographic and economic trends at a neighborhood scale.

As of 2017, approximately 28% of the city’s population lived in the north; 16% lived in the central corridor; and the remaining 56% lived in the south.<sup>3</sup> Since the 2000 Census, the central corridor has seen net population growth, while the north has experienced persistent population decline. After declining between 2000 and 2010, the south has added population.<sup>4</sup>

<sup>3</sup> U.S. Census Bureau, American Community Survey 2017 5-year release

<sup>4</sup> U.S. Census Bureau, American Community Survey 2017 5-year release



Examples of “north” (bottom-right), “central corridor” (bottom-left), and “south” (top-right) sub-geographies.





# City Geographies

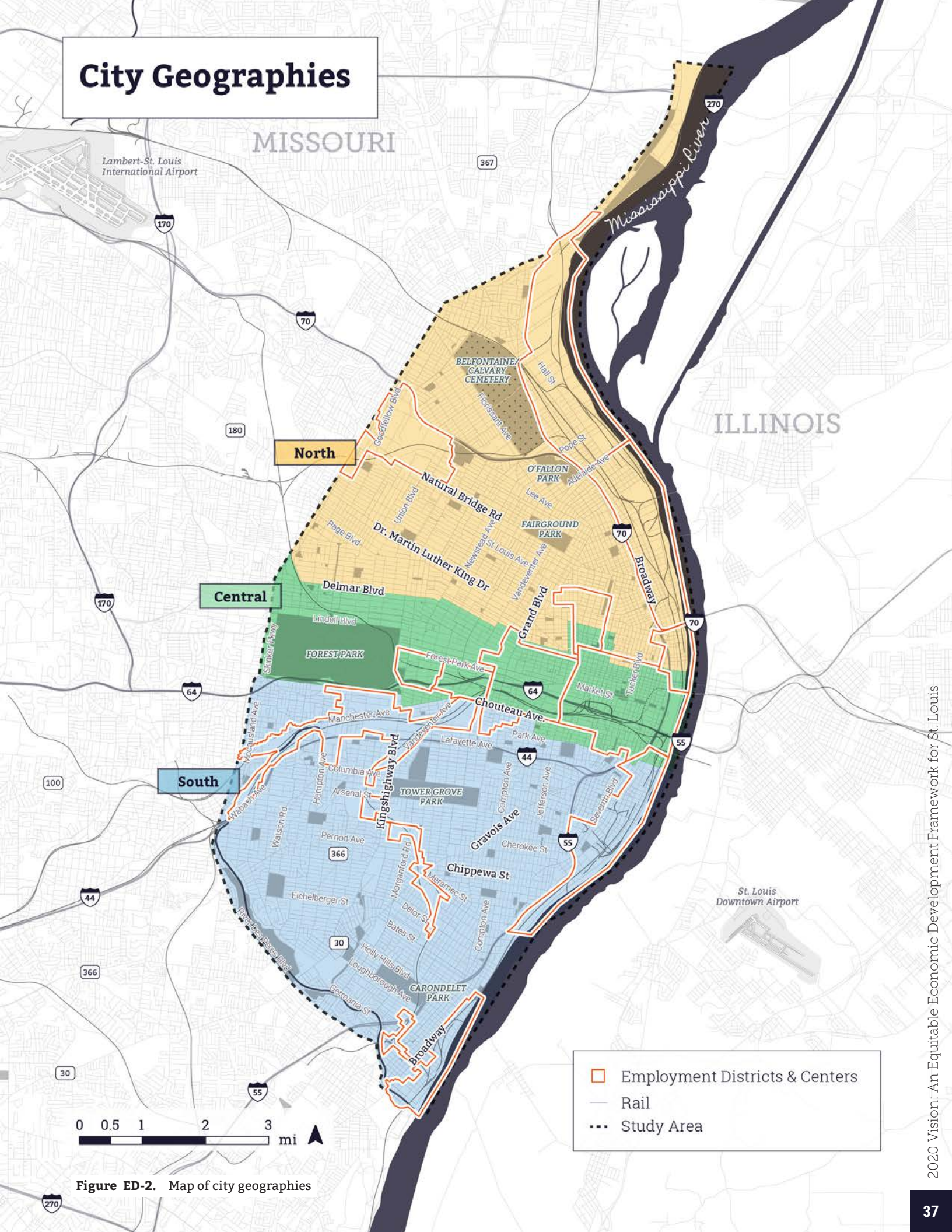


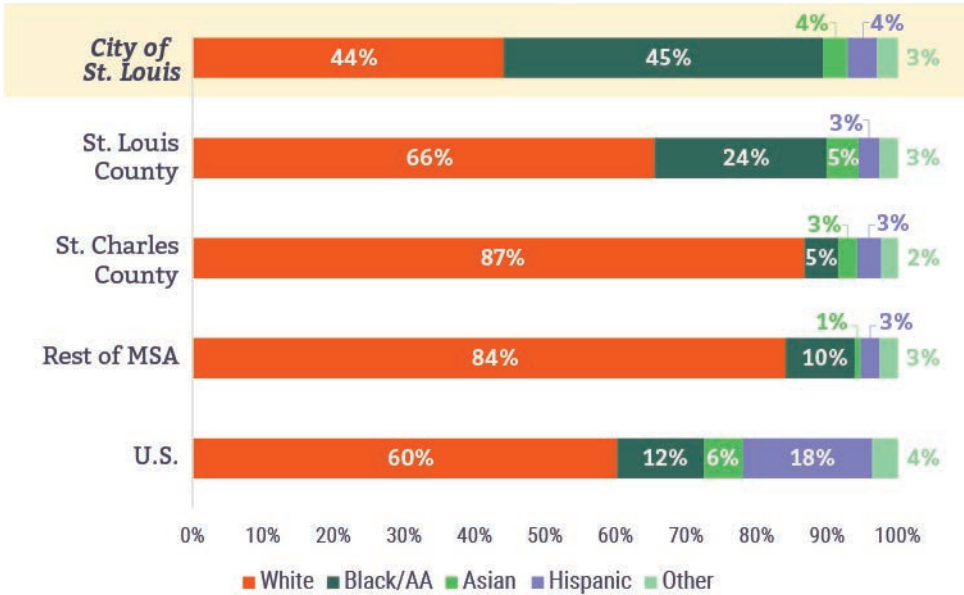
Figure ED-2. Map of city geographies

# Race/ethnicity

The city is more racially diverse than the region or the U.S. As of 2018, there were 137.1K Black/African American residents, 133.7K white residents, 12.5K Hispanic residents, 10.7K Asian residents, and 8.9K residents that identified as other races or two or more races.

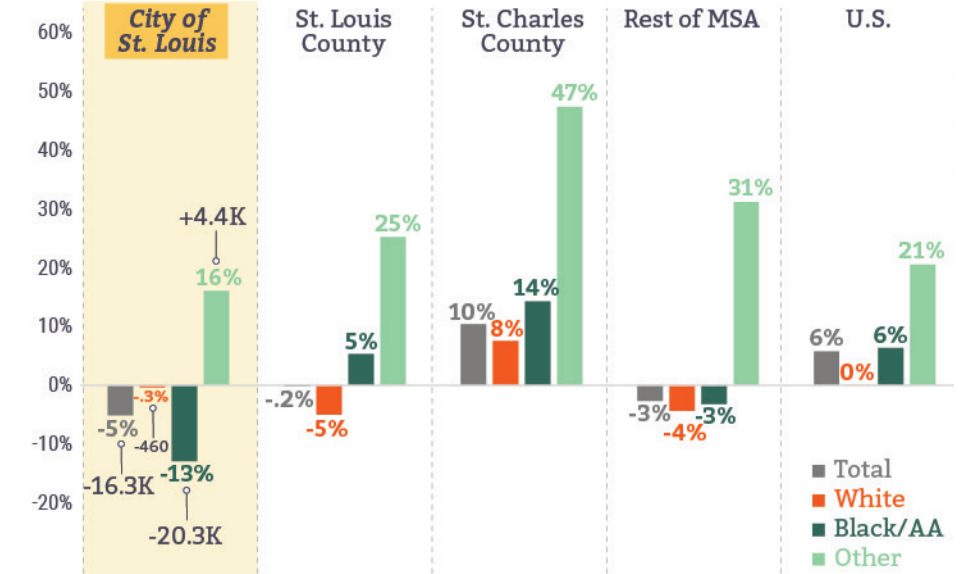
The city contains 11% of the MSA's total population and comparatively higher shares of the MSA's Black/African American, Asian, and Hispanic populations (27%, 14%, and 15%, respectively). From 2010 to 2018, the city's overall population decline was primarily driven by the loss of Black/African American residents. The city lost 13% of its Black/African American population (over 20.3K residents), largely stemming from population outflows from the north part of the city. (See Figures ED-3 and ED-4.)

Figure ED-3. Race and ethnicity, 2018



Source: U.S. Census Bureau American Community Survey, 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties

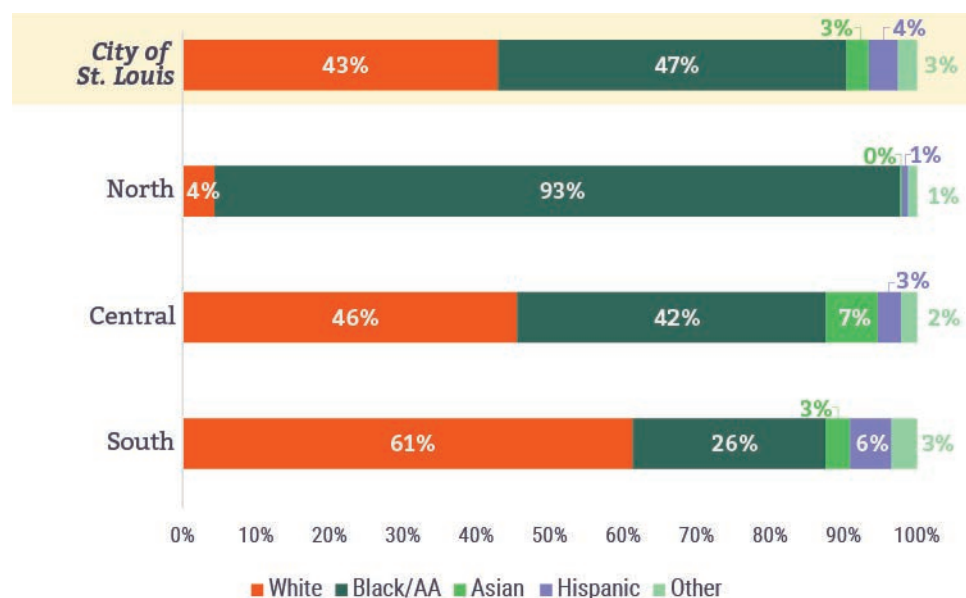
Figure ED-4. Growth by racial/ethnic group, 2010-2018



Source: U.S. Census Bureau American Community Survey, 2010 and 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population.



**Figure ED-5.** City race/ethnicity, 2017



Although the city as a whole is diverse and no single racial/ethnic group claims a majority, the sub-geographies show areas of profound segregation. (See Figure ED-5.) The north is overwhelmingly Black/African American, and the south is majority white. The central corridor has a similar racial/ethnic composition as the city overall and is relatively diverse even at sub-geographies: only 8% of the corridor's population lives in a census tract where at least 75% of residents are one racial/ethnic group compared to 37% in the south and 96% in the north. (See Figure ED-6).

Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis

**Figure ED-6.** City population living in tracts with a racial/ethnic majority, 2017

Geography	Total Population (K)	% of Population Living in Census Tracts with at least 75% Population in One Racial/Ethnic Group
City of St. Louis	314.9	49%
North	87.8 (28%)	96%
Central Corridor	49.8 (16%)	8%
South	177.3 (56%)	37%

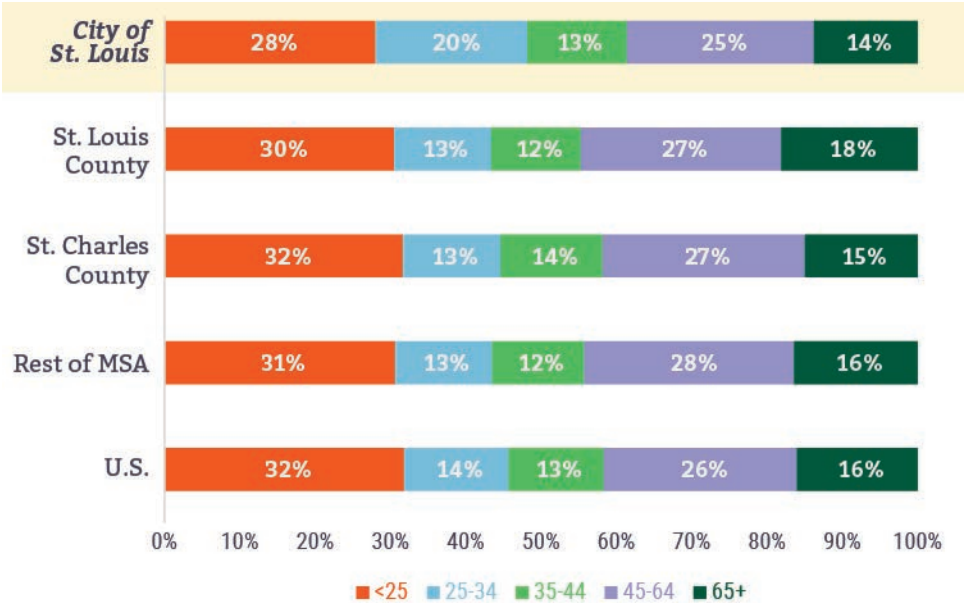
Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis

# Age

The City of St. Louis is simultaneously aging and gaining millennials. In 2018, the largest group of city residents was under the age of 25 (28%), followed by ages 45-64 (25%). From 2010 to 2018, the group under the age of 25 decreased by 20%, coinciding with a loss of families, while the group ages 25-34 increased by 6% and the group ages 65 or higher increased by 18%. In 2010, the median age in the City of St. Louis was 33.7, and in 2018, the median age in the city was 36.4.<sup>5</sup> (See Figures ED-7 and ED-8.)

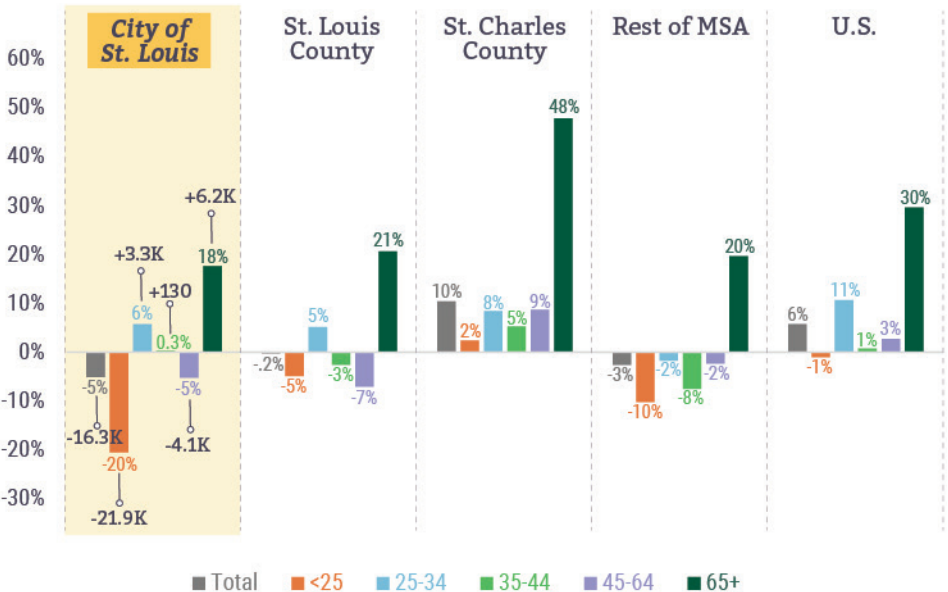
5 U.S. Census Bureau American Community Survey 2010 and 2018 1-year release

Figure ED-7. Age distribution, 2018



Source: U.S. Census Bureau American Community Survey, 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties

Figure ED-8. Growth by age group, 2010-2018



Source: U.S. Census Bureau American Community Survey, 2010 and 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population.



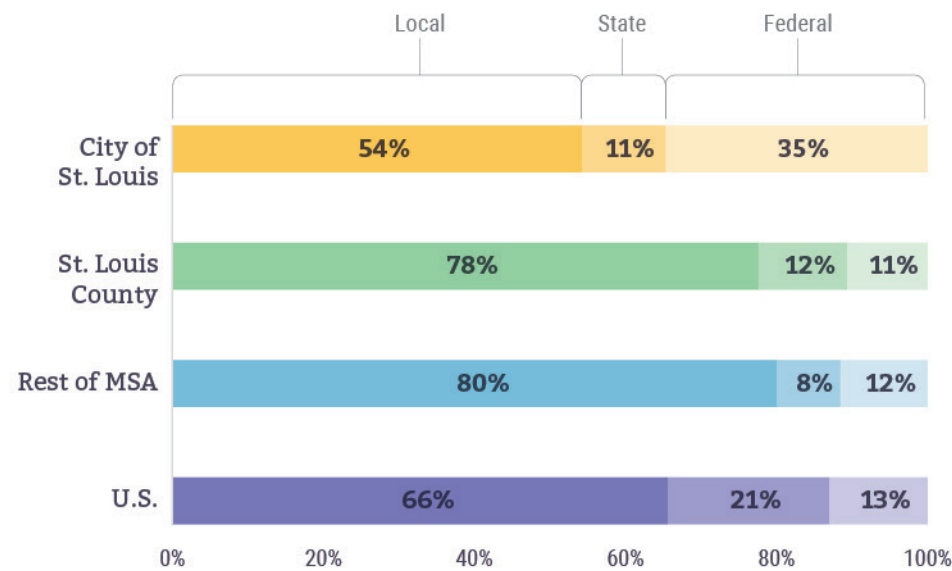
# ECONOMY

## Overview

In 2018, the City of St. Louis was home to 200K private sector jobs, representing 17% of the region's jobs. The city's biggest industries are Hospitals (29.4K jobs), followed by Food Services and Drinking Places (16.7K jobs) and Professional, Scientific, + Technical Services (16.7K jobs). The 15 largest industries represent over 72% of the city's total jobs, and together, added 22.2K jobs to the city's economy from 2010 to 2018.<sup>6</sup>

Beyond its 200K private sector jobs, the city is home to an additional 30K jobs in the public sector. Like the rest of the region and U.S., the majority of the city's public jobs are in local government, but a higher share of the city's public jobs is at federal agencies (35%) than the rest of the region (11%) and the U.S. (13%). (See Figure ED-9.) St. Louis is home to numerous federal agencies, including the Federal Reserve Bank of St. Louis and the National Geospatial-Intelligence Agency (NGA).

Figure ED-9. Public sector jobs, 2018



Source: QCEW; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

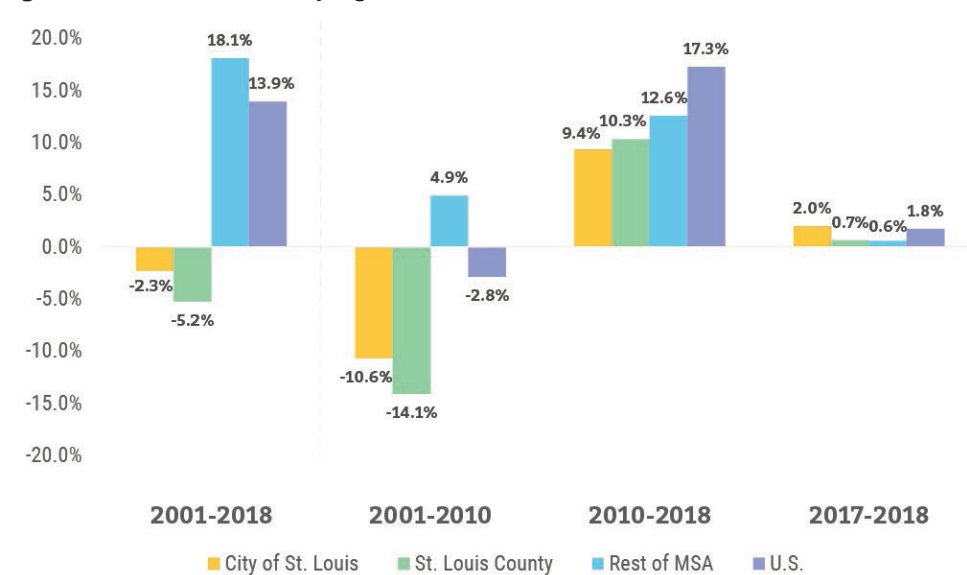
6 QCEW-UDP

## Job growth

The number of jobs in the city has increased, especially in recent years. From 2010 to 2018, the number of private sector jobs in the city grew by 9.4% overall. The city's job growth lagged St. Louis County and the rest of the region from 2010 to 2018, but did outpace the region and U.S. in the most recent year for which there are data (2017 to 2018). (See Figure ED-10.)

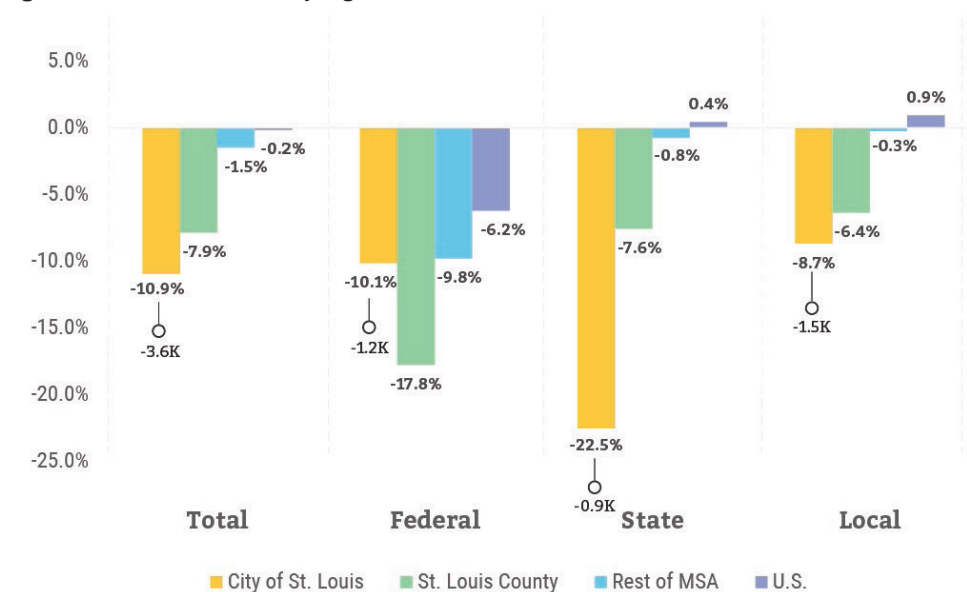
While the number of private sector jobs increased from 2010 to 2018, the city's public sector jobs declined by 10.9%, more than in St. Louis County, which declined by 7.9%; the rest of the region, which declined by 1.5%; and the nation, which declined by just 0.2%. From 2010 to 2018, the biggest declines in the city occurred in state employment, which fell by 22.5%, or approximately 900 jobs. But for St. Louis County, the rest of the MSA and the U.S., the largest declines occurred in federal employment, which fell overall by 17.8% in the county, 9.8% in the rest of the region, and 6.2% in the U.S. (See Figure ED-11.)

Figure ED-10. Private sector job growth, 2001-2018



Source: QCEW-UDP, 2001-2018; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

Figure ED-11. Public sector job growth, 2010-2018



Source: QCEW-UDP, 2010-2018; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

## Clusters

In addition to individual industries, cities and other economic areas can be described by their largest “clusters,” which are sets of related industries (e.g., the automotive cluster consists of metal mills and foundries, automotive parts, and motor vehicle assembly).<sup>7</sup> Approximately 80% of the city’s jobs are in its top fifteen clusters, and in eleven of these, the city has more jobs than would be expected for an economy its size, i.e., the location quotient (LQ) is greater than 1.0.<sup>8</sup> The city’s biggest cluster is Local Health Services, which employs 38.8K people. The cluster is growing slower than the city’s total economy and slower than the national growth rate, but it is still a strength for the city (LQ=1.4). Its second-largest cluster is Local Hospitality Establishments, which employs 16.6K people. The cluster is not a strength for the city (LQ=0.8), and it grew slower than the cluster did nationally and grew slower than the total economy. (See Figure ED-12.)

7 Automotive. (n.d.). US Cluster Mapping. <https://clustermapping.us/cluster/automotive>

8 A location quotient (LQ) is a statistic that measures a geography’s specialization (e.g., City of St. Louis) relative to a larger geography (in our data and most commonly, the nation). An LQ of 1 means the specific geography has the number of jobs that would be predicted for an economy of its size. An LQ less than 1 means the specific geography has fewer jobs than would be expected. An LQ greater than 1 means the specific geography has more jobs than would be expected for an economy of its size. This would be described as a “strength.” LQs are valuable because they can be compared across geographies with different-sized economies, enabling assessments of whether a given geography is weak or strong in a specific occupation, industry, or cluster.

The local health care sector is a huge employer, but because its growth more or less depends on population trends, it is typically not the target in economic cluster strategies. However, health care is a critical sector for realizing the improved equity outcomes central to an equitable economic framework. Recognizing that, as well as the industry’s leadership role over the years in various aspects of community development and resident vitality, health care employers are assumed to be central to several of the major initiatives in this framework: the

**Figure ED-12.** Largest clusters by employment in the city, 2018

Cluster	Jobs 2018	LQ 2018	Job Growth 2010-2018	Faster Growth than U.S.?
Local Health Services	38.8K	1.4	7%	No
Local Hospitality Establishments	16.6K	0.8	6%	No
Business Services	16.0K	1.2	22%	No
Local Community + Civic Organizations	11.9K	1.9	84%	Yes
Education + Training	11.4K	3.9	73%	Yes
Blue Collar B2B Off-Site	9.3K	1.0	-4%	No
Blue Collar B2B On-Site	8.2K	0.7	-5%	No
White Collar B2B	7.2K	0.6	20%	No
Local Real Estate, Construction, Development	7.2K	0.6	4%	No
Financial Services	6.6K	2.3	36%	Yes
Hospitality + Tourism	6.6K	1.3	0%	No
Local Financial Services	5.9K	1.3	0%	No
Food Processing + Manufacturing	5.8K	3.3	5%	No
Local Commercial Services	4.5K	1.9	-6%	No
Local Utilities	3.9K	2.6	-24%	No
<b>Total Economy</b>	<b>200K</b>	<b>NA</b>	<b>9.4%</b>	<b>No</b>

Source: QCEW-UDP, 2010-2018; Mass Economics analysis

creation of a St. Louis employer consortium to promote equity, inclusion, job quality, and economic opportunity the City; the establishment of an employee support organization that links workers to needed social and economic supports; and the development of a lab tech initiative to expand job opportunities in health care.



# Wages

National data tends to suggest some degree of real wage stagnation over the last 50 years, especially for lower-earning workers,<sup>9</sup> but more recent trends suggest small real wage growth. From 2010 to 2018, wages at jobs located in the city (+3.6%) did not grow as quickly as in St. Louis County (+7.3%), the rest of the region (+3.8%) or the U.S. (+7.4%). (See Figure ED-13.) Still, as of 2018, wages of jobs located in the city were 7% higher than the average for all U.S. jobs. Even with slower recent growth, average wages in the City of St. Louis are very high by regional and national standards, though slightly lower than in St. Louis County.

The city's wage premium compared to the rest of the region and U.S. holds across all educational levels. The wage premium between the city and the rest of the region, and the city and the U.S., is highest for job holders with less than a bachelor's degree. City wages exceed those of the county, region, state, and U.S., except for workers with at least a bachelor's degree in St. Louis County. Workers in St. Louis County with at least a bachelor's degree earn on average \$101.5K, approximately \$10.9K more than similarly credentialed workers at jobs in the city.<sup>10</sup> (See Figure ED-14.)

9 Donovan, S., & Bradley, D. H. (2019). Real Wage Trends, 1979 to 2018 (No. R45090). Congressional Research Service. <https://fas.org/sfp/crs/misc/R45090.pdf>

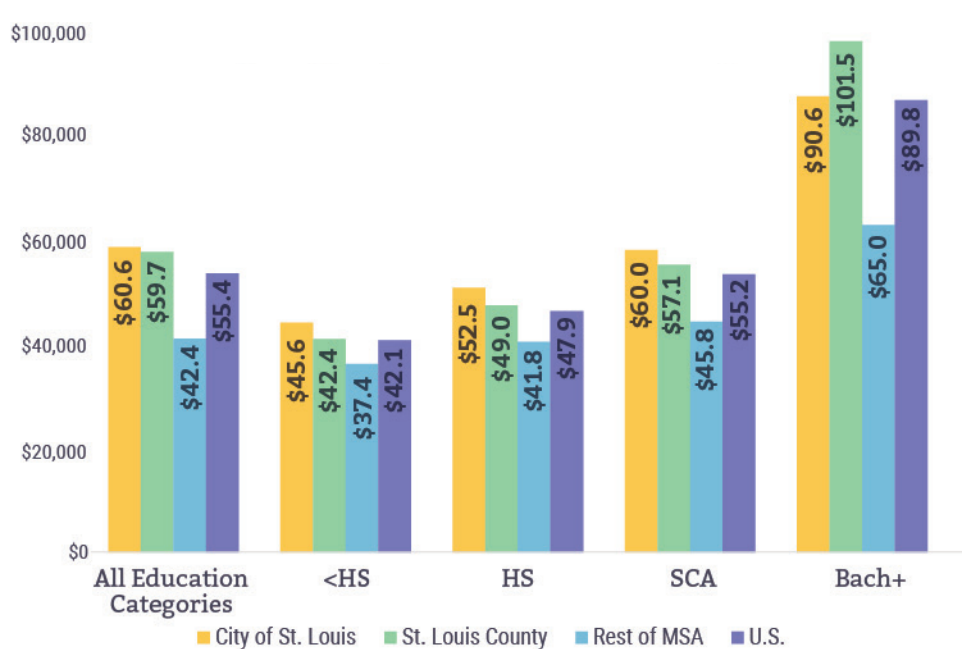
10 Wage data are from 2Q2018

Figure ED-13. Private sector wage growth, 2010-2018

	2010 (constant 2018 \$K)	2018 (\$K)	Overall Growth	Wage Relative to U.S., 2010	Wage Relative to U.S., 2018
City of St. Louis	\$59.0	\$61.2	+3.6%	+10.9%	+7.0%
St. Louis County	\$57.2	\$61.4	+7.3%	+7.4%	+7.4%
Rest of MSA	\$40.4	\$41.9	+3.8%	-24.1%	-26.7%
U.S.	\$53.2	\$57.2	+7.4%	NA	NA

Source: QCEW-UDP, 2010-2018; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

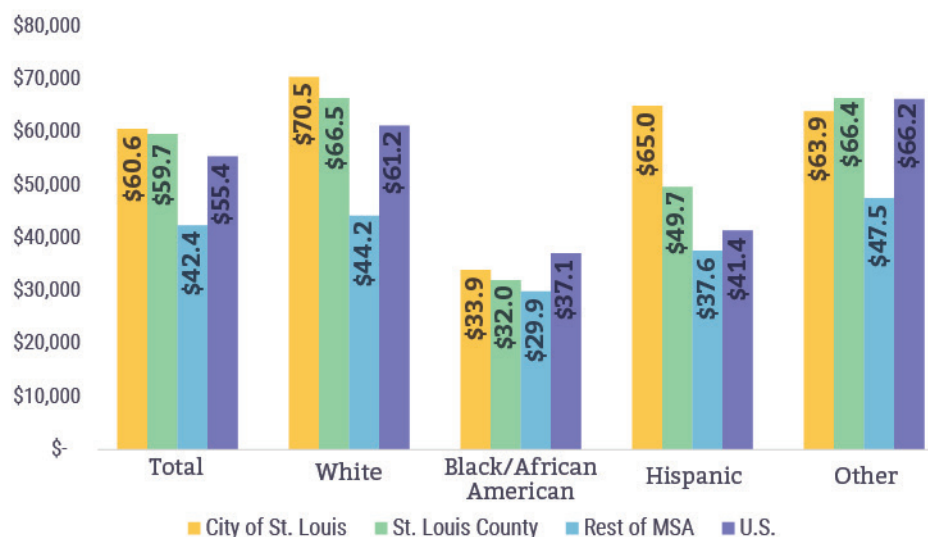
Figure ED-14. Average wages by educational attainment, 2018



Source: QWI, 2018; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

Critically, however, although city wages exceed national wages for white, non-Hispanic and Hispanic job holders, they lag the U.S. for Black/African American and other non-white, non-Hispanic job holders. Across racial/ethnic groups, the largest wage gap is between Black/African American and white workers. In 2018, the gap between white and Black/African American wages at jobs in the city was \$36.5K, indicating that Black/African Americans were earning only 48% of white earnings. The wage gap in the city is significantly higher than the national average (61%). (See Figure ED-15.)

**Figure ED-15.** Average wages by race/ethnicity, 2018



Source: QWI, 2018; Mass Economics analysis

Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

## Educational requirements

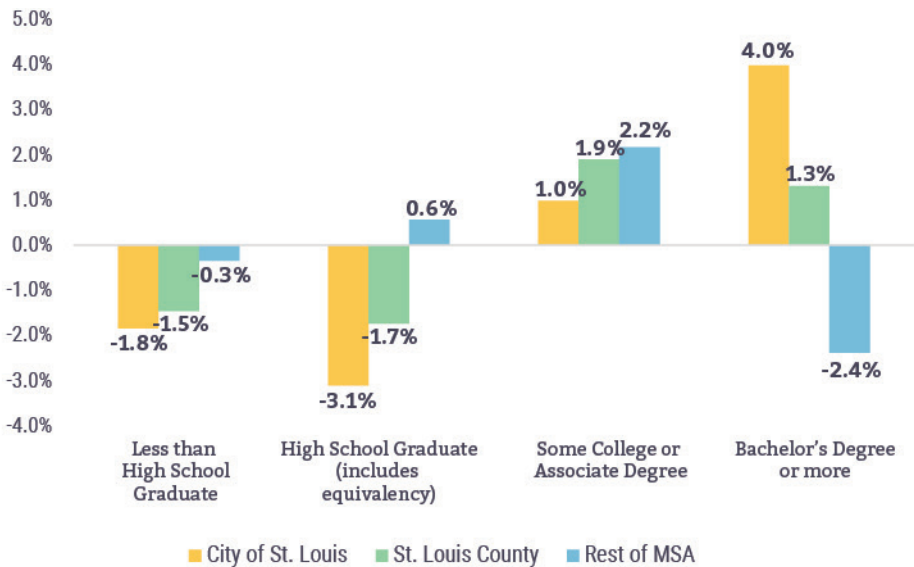
In 2018, a significantly higher portion of jobs in the industries in the city required at least a bachelor's degree than in the U.S. overall (35% vs. 29%), and fewer jobs require a high school diploma or less (33% vs. 38%). (See Figure ED-16.) Since 2010, education requirements for jobs in the city have increased significantly, shifting the job base toward industries requiring at least a bachelor's degree. (See Figure ED-17.)

Figure ED-16. Education requirements, 2018

Education Requirements, 2018	City of St. Louis	U.S.
% Less than high school diploma	8.5%	10.2%
% High school diploma	24.4%	28.2%
% Some college, or Associate's degree	32.2%	32.7%
% Bachelor's degree or higher	34.9%	28.8%

Source: QCEW-UDP, 2018; BLS Employment Projections Program; Mass Economics analysis

Figure ED-17. Percentage point change in education requirements, 2010-2018



Source: QCEW-UDP, 2018; BLS Employment Projections Program; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

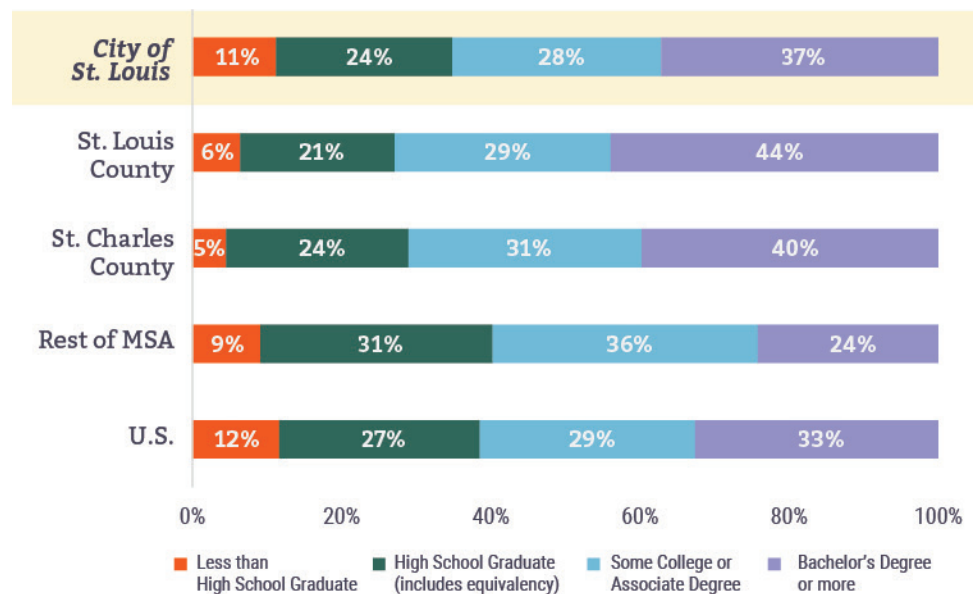


# WORKFORCE

## Educational attainment

In 2018, 37% of the city population 25 years and older had at least a bachelor's degree, greater than the US average of 33%; and a slightly smaller percentage of city residents (11% versus 12% for the U.S.) did not have a high school degree. Gains in educational attainment are occurring nationally, but the rate of increase has been higher in the city. From 2010 to 2018, the number of city residents with less than a high school degree decreased by 38%, and the number of residents with at least a bachelor's degree increased by 34%. (See Figures ED-18 and ED-19.)

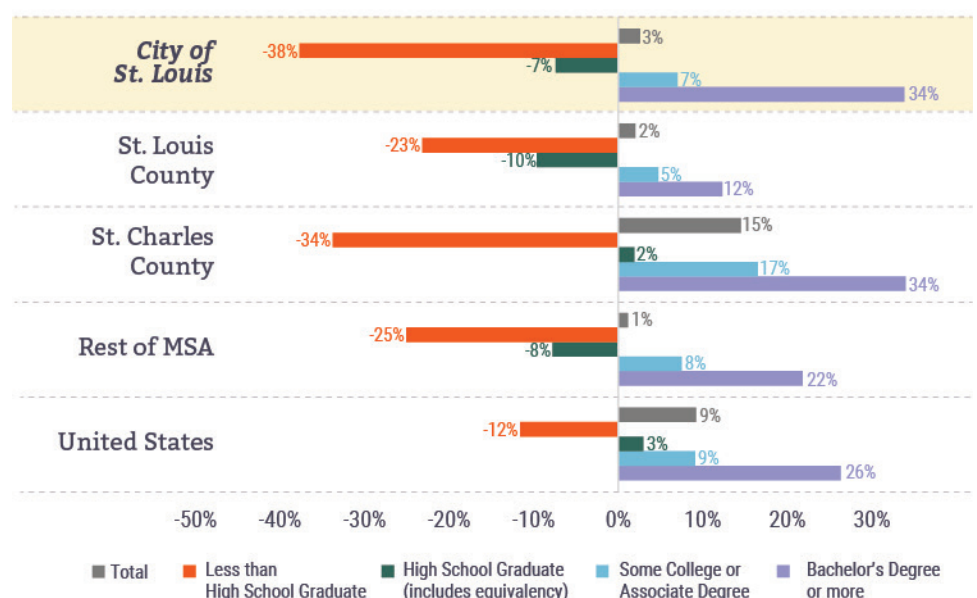
**Figure ED-18.** Educational attainment of residents 25 years and older, 2018



Source: QCEW-UDP, 2001-2018; Mass Economics analysis

Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

**Figure ED-19.** Growth by level of educational attainment, 2010-2018



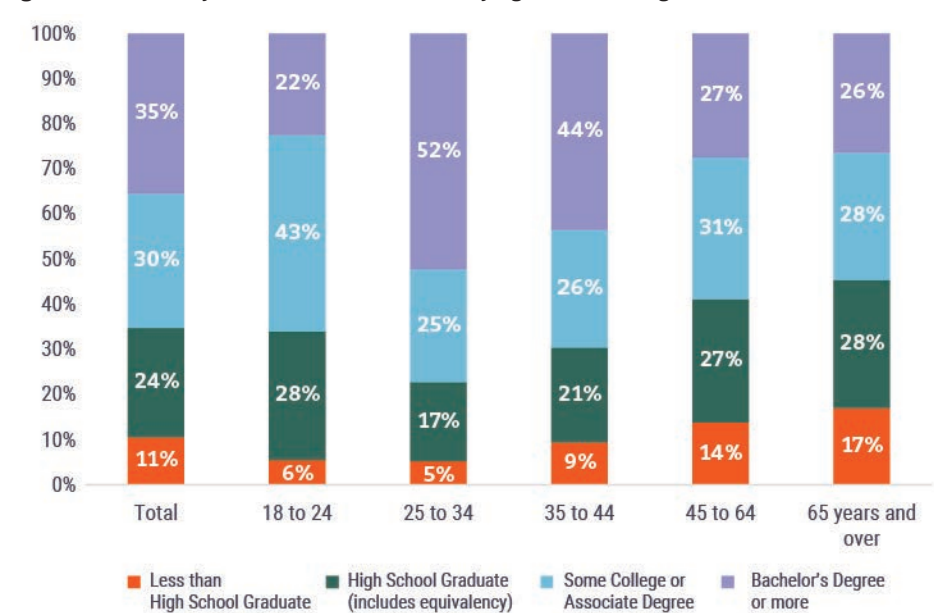
Source: U.S. Census Bureau American Community Survey 2010 and 2018 1-year release; Mass Economics analysis

Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

Among city residents, millennials tend to have the highest educational attainment. Over half of residents ages 25 to 34 have at least a bachelor's degree compared to just over one-quarter of residents ages 45 and older. Older residents are also far more likely to have not graduated from high school (about 15% of residents 45 and older compared to only 5% of 25- to 34-year olds. (See Figure ED-20.)

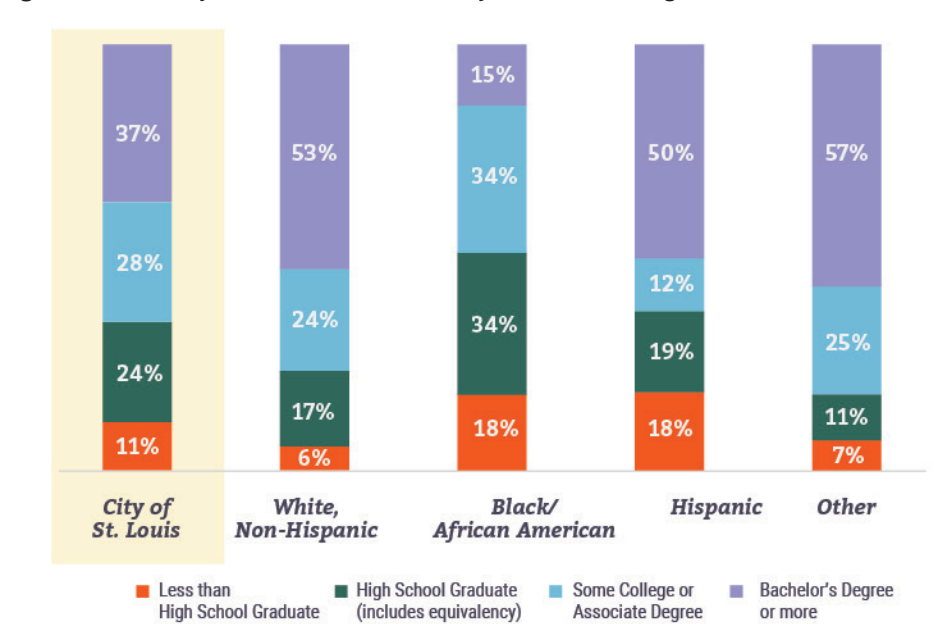
Educational attainment varies by race/ethnicity, and by city geography. About three times the share of Black/African American St. Louisans have less than a high school diploma compared to white, non-Hispanic St. Louisans (18% vs. 6%). Only one-sixth of Black/African Americans have at least a bachelor's degree compared to over half of white, non-Hispanic residents (15% vs. 53%). (See Figure ED-21.)

Figure ED-20. City educational attainment by age, residents ages 18 and older, 2018



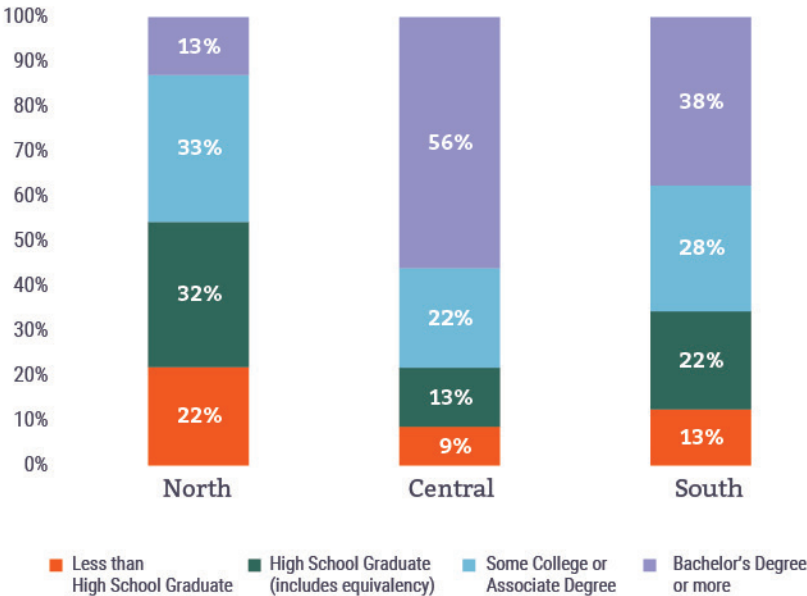
Source: U.S. Census Bureau American Community Survey 2018 1-year release; Mass Economics analysis

Figure ED-21. City educational attainment by race, residents ages 25 and older, 2018



Source: U.S. Census Bureau American Community Survey 2018 1-year release; Mass Economics analysis

**Figure ED-22.** City educational attainment, residents ages 25 and older, 2017



Highly educated residents tend to live in the central corridor or southern portion of the city; in the central corridor, over half (56%) of residents have at least a bachelor's degree, compared to 38% of residents of the south. In the north, only 13% of residents have at least a bachelor's degree – less than half the city's overall share. (See Figure ED-22.)

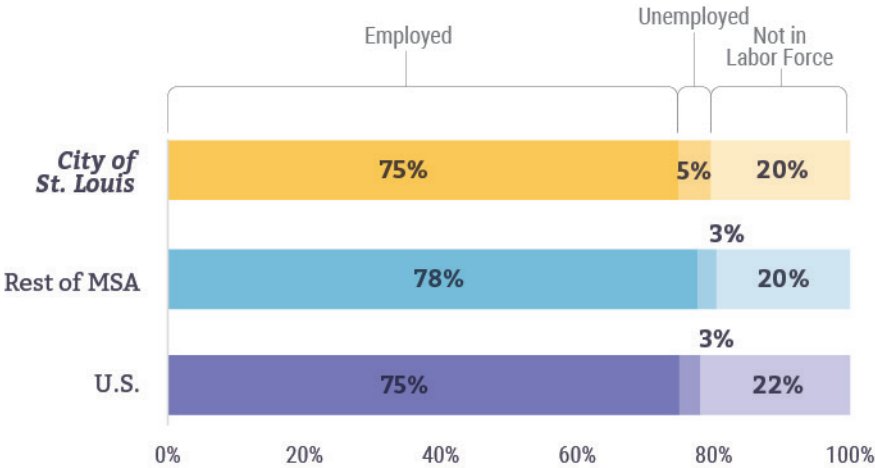
Source: U.S. Census Bureau American Community Survey 2017 5-year release; Mass Economics analysis



## Labor market outcomes

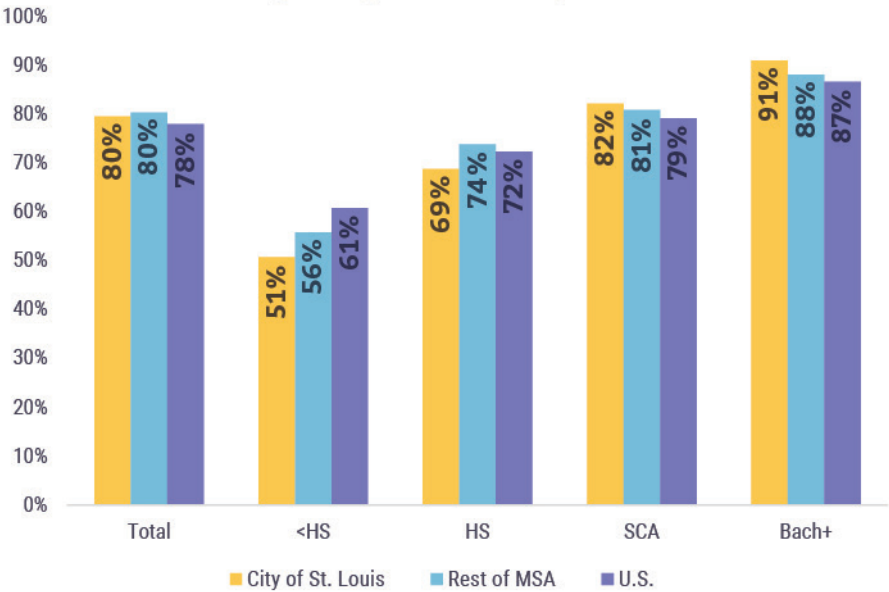
Compared to the U.S., the city has an identical percentage of employed residents, a higher percentage of unemployed residents, and a lower proportion of residents who are out of the labor force. This varies by education level: workers without at least a high school degree are far less likely to be in the labor force than is typical nationally (51% versus 61%) while workers with at least some college have higher labor force participation rates. (See Figures ED-23 and ED-24.)

**Figure ED-23.** Employment status, 25-64-year olds, 2018



Source: U.S. Census Bureau American Community Survey 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

**Figure ED-24.** Labor force participation, 25-64-year olds, 2018

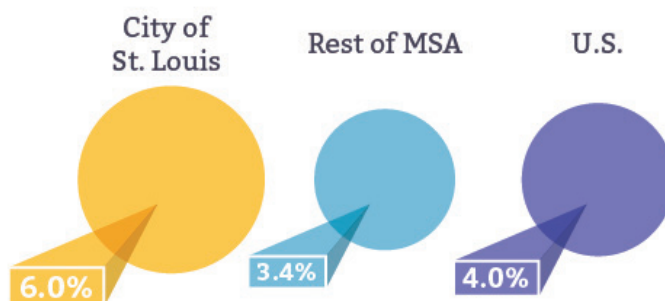


Source: U.S. Census Bureau American Community Survey 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

In the past two years, unemployment has reached record lows in the City of St. Louis.<sup>11</sup> While this is an encouraging trend, unemployment rates are still almost two times higher than the rest of the region and are 50% higher than the national unemployment rate. (See Figure ED-25.)

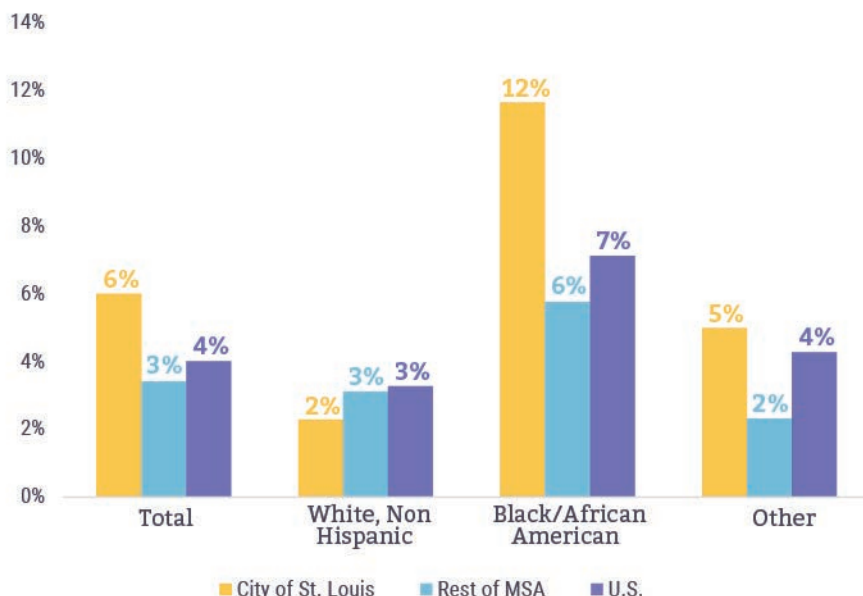
The city's unemployment rate also underscores race- and place-based disparities. The unemployment rate for Black/African Americans is 12%, almost six times the rate for white residents, and the unemployment rate in the north is over three times the unemployment rate in the south. (See Figures ED-26 and ED-27.)

**Figure ED-25.** Unemployment rate, 25-64-year olds, 2018



Source: U.S. Census Bureau American Community Survey 2018 1-year release and 2017 5-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

**Figure ED-26.** Unemployment rate by race, 25-64-year olds, 2018



Source: U.S. Census Bureau American Community Survey 2018 1-year release and 2017 5-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

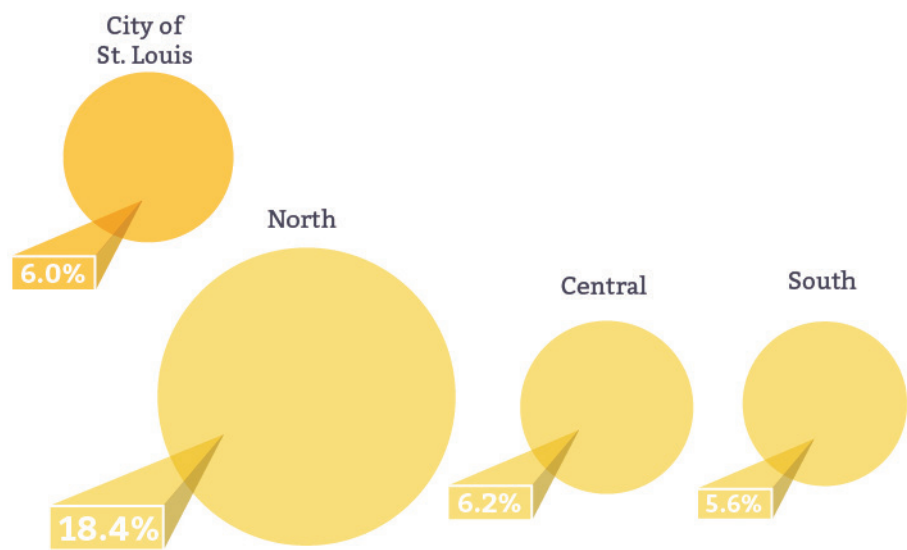
<sup>11</sup> U.S. Bureau of Labor Statistics. Unemployment Rate in St. Louis City, MO. Retrieved from FRED, Federal Reserve Bank of St. Louis website: <https://fred.stlouisfed.org/series/MOSSURN>

Educational attainment alone cannot explain racial disparities in unemployment rates across racial groups in St. Louis. As shown in Figure ED-28, at each level of educational attainment, unemployment rates for working aged (25-64-year old) Black/African American city residents are significantly higher than for whites with similar education levels. These gaps are significant at every level of educational attainment. In relative terms, the gap is highest for labor market participants with four-year degrees (8.4% of Black/African Americans are unemployed versus 2.4% for whites, 3.4X higher); in absolute terms, the gap is highest for working residents without a high school degree (29.1% of Black/African Americans are unemployed versus 9.6% for whites, over 19 percentage points higher). These gaps are so stark that Black/African Americans with some college, which includes associates degrees, have unemployment rates that are about 20% higher than whites without a high school diploma (11.6% versus 9.6%), and Black/African Americans with four-year degrees have higher unemployment rates than whites with only a high school diploma (8.4% versus 6.0%).<sup>12</sup> These data challenge notions that racial differences in economic outcomes are driven primarily by educational attainment levels and underscore the importance of addressing differential access to opportunity, employment, and wealth across racial groups in St. Louis.<sup>13</sup>

12 A similar pattern holds for poverty rates: at every level of educational attainment, Black/African Americans are significantly more likely to live in poverty than white residents.

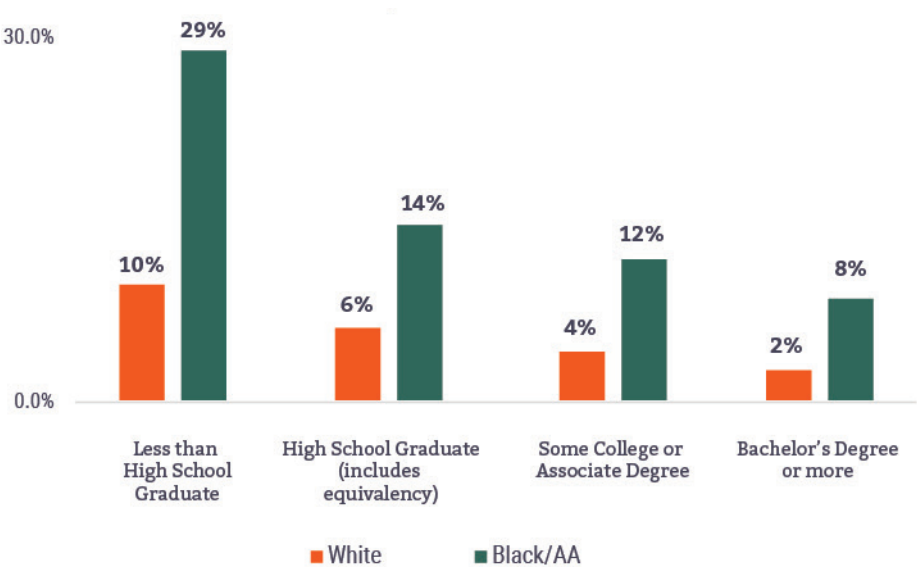
13 U.S. Census Bureau American Community Survey IPUMS 2018 5-year release

Figure ED-27. Unemployment rate by geography, 25-64-year olds, 2017



Source: U.S. Census Bureau American Community Survey 2018 1-year release and 2017 5-year release; Mass Economics analysis

Figure ED-28. City unemployment rate by race/ethnicity and educational attainment, 25-64-year olds, 2018



Source: U.S. Census Bureau American Community Survey IPUMS, 2018 5-year release; Mass Economics analysis



## Commutes

Approximately 40% of St. Louis residents work in St. Louis. Transit reliance varies by geography; while only 10% of residents, on average, commute by transit, 22% of residents in the northern part of the city rely on transit to get to work. Residents in the northern part of the city have longer commute times than the rest of the city and a higher share of commutes over 60 minutes. On average across the city, 21% of households do not have access to a vehicle, and 11% of households with workers do not have access to a vehicle.<sup>14</sup>

<sup>14</sup> LEHD-OTM, 2002-2015; U.S. Census Bureau American Community Survey 2017 5-year release



Biking is an option to commute across the city but there should be safer routes.



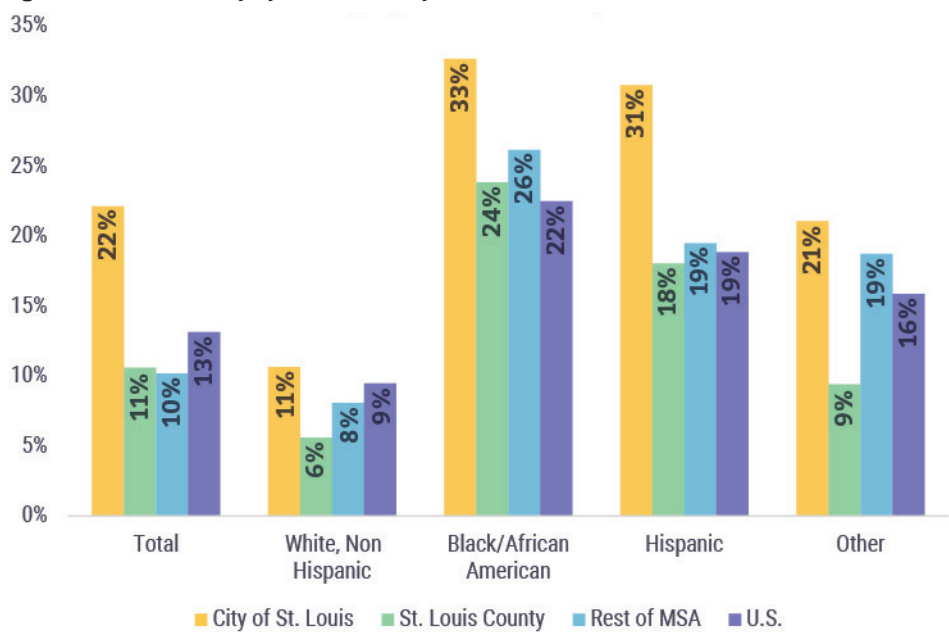
MetroBus runs throughout the city and transit reliance varies by geography.

**TRANSIT RELIANCE VARIES BY GEOGRAPHY; WHILE ONLY 10% OF RESIDENTS, ON AVERAGE, COMMUTE BY TRANSIT, 22% OF RESIDENTS IN THE NORTHERN PART OF THE CITY RELY ON TRANSIT TO GET TO WORK.**

## Poverty and income

In 2018, the poverty rate in the City of St. Louis was 22%, over two times the rate in the rest of the region and notably higher for people of color. The poverty rate for Black/ African American residents is 33%, the highest among any racial or ethnic group. For white, non-Hispanic residents, the poverty rate is 11%. Poverty rates are highest in the north, but the shrinking number of residents in the north means that in absolute numbers, more people are living in poverty in the south (35.0K versus 31.3K in the north). Overall, about half of the city's residents live in census tracts with a poverty rate that is at least 25%, but in the northern part of the city, 94% of the residents live in census tracts with a poverty rate of at least 25%. (See Figures ED-29, ED-30, and ED-31.)

Figure ED-29. Poverty by race/ethnicity, 2018



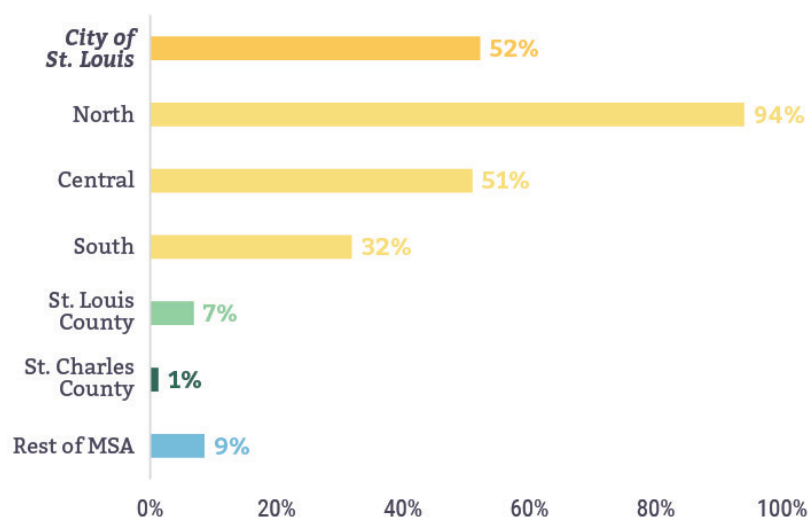
Source: U.S. Census Bureau American Community Survey, 2018 1-year release; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

Figure ED-30. Poverty rate by geography, 2017

Geography	Poverty Rate	Number of People Living in Poverty
North	37%	31.3K
Central	23%	10.2K
South	20%	35.0K

Source: U.S. Census Bureau American Community Survey 2017 5-year release; Mass Economics analysis

**Figure ED-31.** Percent of population living in census tracts with  $\geq 25\%$  poverty, 2017



Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis  
 Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

**Figure ED-32.** Average household income, 2010 and 2018 (in constant 2018 \$)

Average Household Income	2010 (adjusted to 2018 \$)	2018	Growth
City of St. Louis	\$53.0K	\$63.8K	20.4%
Rest of MSA	\$81.1K	\$89.3K	10.2%
U.S.	\$78.2K	\$87.9K	12.3%

Source: U.S. Census Bureau American Community Survey 2010 and 2018 1-year release  
 Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

**Figure ED-33.** Distribution of households by income bracket, 2010 and 2018

	Number of households		Share of households earning $< \$20K$			Share of households earning $\$100K+$		
	2010	2018	2010	2018	% Change	2010	2018	% Change
City of St. Louis	142K	144K	32%	24%	-24%	10%	18%	76%
Rest of MSA	970K	993K	16%	13%	-23%	22%	30%	40%
U.S.	115M	122M	19%	15%	-22%	20%	29%	47%

Source: U.S. Census Bureau American Community Survey 2010 and 2018 1-year release; Mass Economics analysis  
 Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

Although average household income in the city in 2018 lagged the rest of the region and U.S. (\$63.8K vs. \$89.3K in the rest of the region and \$87.9K in the U.S.), it grew at twice the rate of the rest of the MSA from 2010 to 2018. One factor driving the increase in household incomes is the growth in the number of high earners in St. Louis.<sup>15</sup> In 2010, 10% of households in the City of St. Louis were earning at least \$100K (in nominal terms), which had risen to 18% by 2018, higher growth (1.8x) than in the rest of the region (1.4x) or U.S. (1.5x). (See Figures ED-32 and ED-33.) In 2018, the ratio between the mean income of the top 20% of earners in the City of St. Louis and the mean income of the bottom 20% of earners was almost 21 compared to under 16 in St. Louis County.<sup>16</sup>

<sup>15</sup> O'Dea, J. (2019, September 26). St. Louis still getting smaller, but richer, too. St. Louis Post-Dispatch. Retrieved from [https://www.stltoday.com/news/local/metro/st-louis-still-getting-smaller-but-richer-too/article\\_d78b0717-83f2-5f27-8418-2399edb5abb8.html](https://www.stltoday.com/news/local/metro/st-louis-still-getting-smaller-but-richer-too/article_d78b0717-83f2-5f27-8418-2399edb5abb8.html)

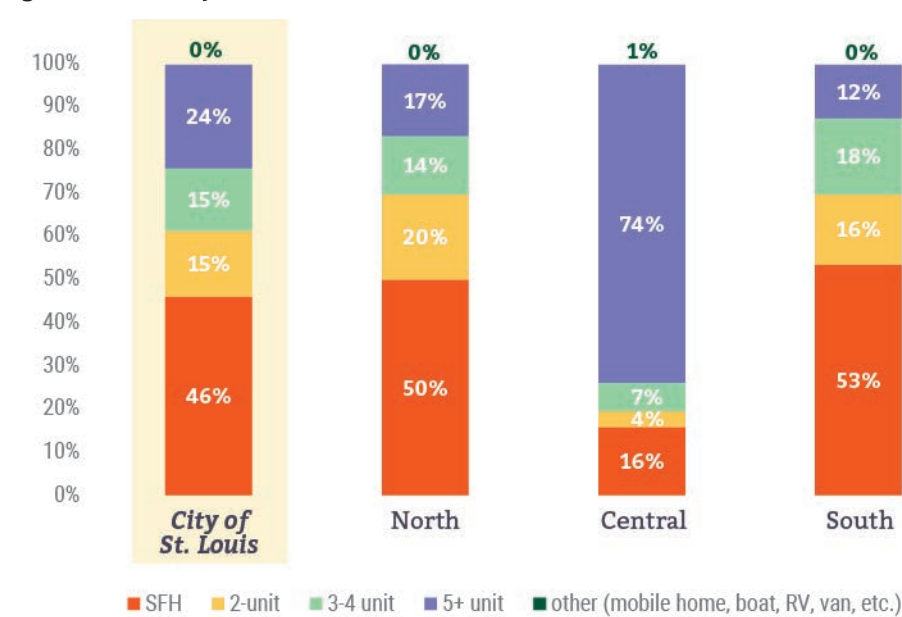
<sup>16</sup> Income Inequality in St. Louis city, MO. (n.d.). [FRED Economic Data]. <https://fred.stlouisfed.org/series/2020RATI0029510>; Income Inequality in St. Louis County, MO. (n.d.). FRED Economic Data. <https://fred.stlouisfed.org/series/2020RATI0029189>

# HOUSING

## Housing stock

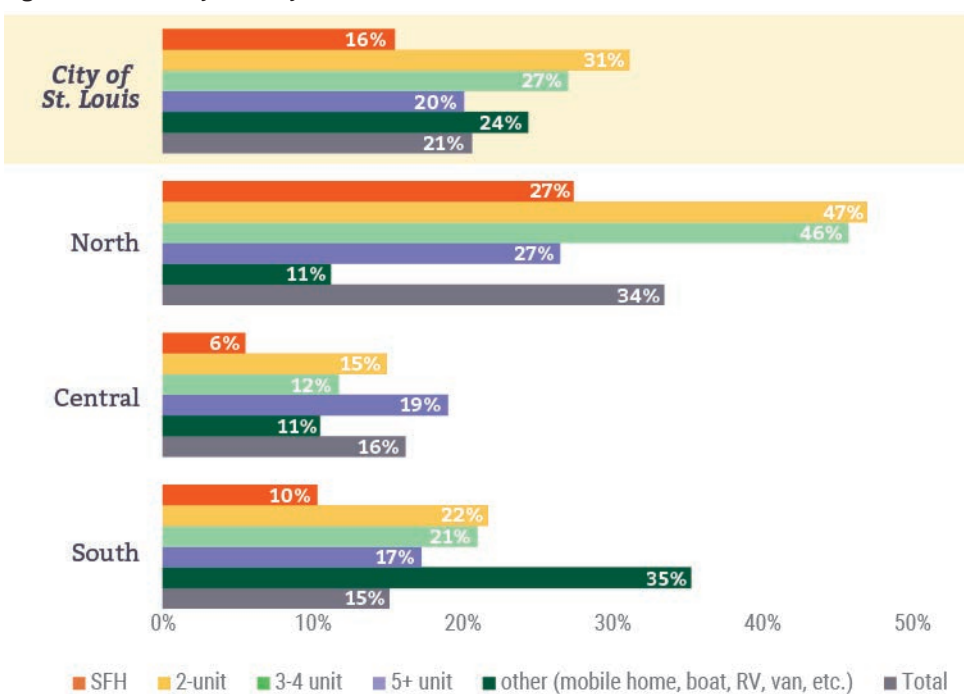
About half the residential structures in the City of St. Louis are single-family homes (SFHs), but the housing stock in the central corridor is heavily skewed toward multi-unit structures. Total residential vacancy rates are highest in the north, and vacancy rates are lowest for SFHs. (See Figures ED-34 and ED-35.)

Figure ED-34. City units in structure, 2017



Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis

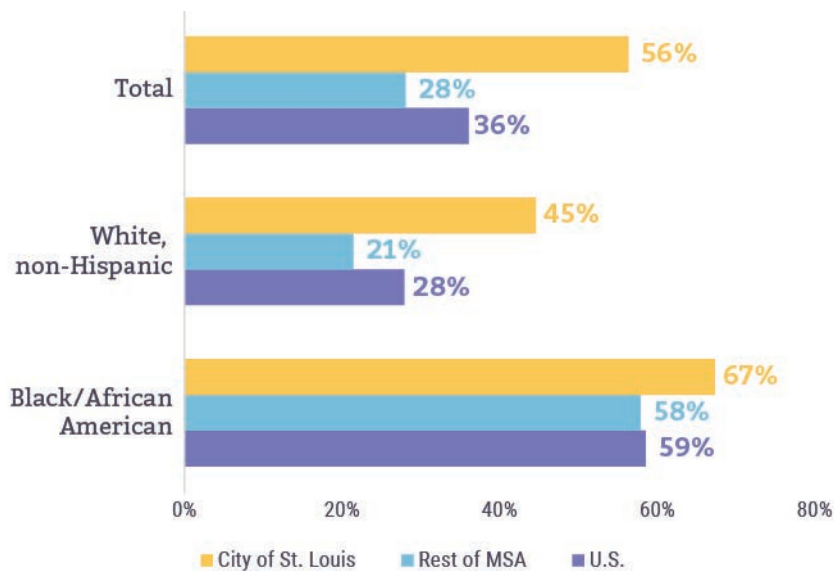
Figure ED-35. City vacancy rate, 2017



Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis



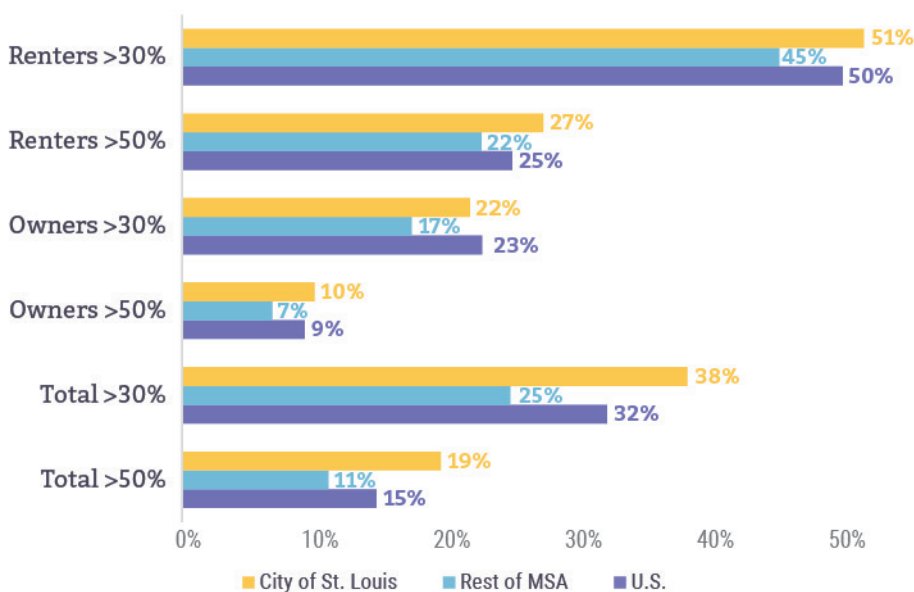
**Figure ED-36.** Percent of housing units occupied by renters, 2018



Source: U.S. Census Bureau American Community Survey, 2017 5-year release; Mass Economics analysis  
 Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

Over half the housing units in the city are occupied by renters compared to only about one-third in the rest of the MSA and U.S. Compared to 2010 levels, increasingly more housing units in the city, region, and U.S. are occupied by renters. Black/African American-occupied housing units are more likely to rent than white-occupied housing units. (See Figure ED-36.)

**Figure ED-37.** Share of income spent on housing, 2018



Source: U.S. Census Bureau American Community Survey, 2018 1-year release; Mass Economics analysis  
 Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

## Housing cost burden

Renters are significantly more housing cost-burdened than owners. More than half of all renters in the city spend at least 30% of their income on housing; this figure is comparable to the U.S. average (50%) but higher than the rest of the region (45%). Over one-quarter (27%) of renters spend at least half of their income on housing. Comparatively, only 22% of owners spend at least 30% of their income on housing and only 10% spend at least 50% of their income on housing. (See Figure ED-37.)

Housing cost burden is most extreme in the northern part of the city. Numerous tracts in the north – but also significant pockets of the south – have at least half of housing units spending over 30% of income on housing. (See Figure ED-38.)



# Housing Cost Burden

Source: ACS 2017 5-year est., Mass Economics Analysis

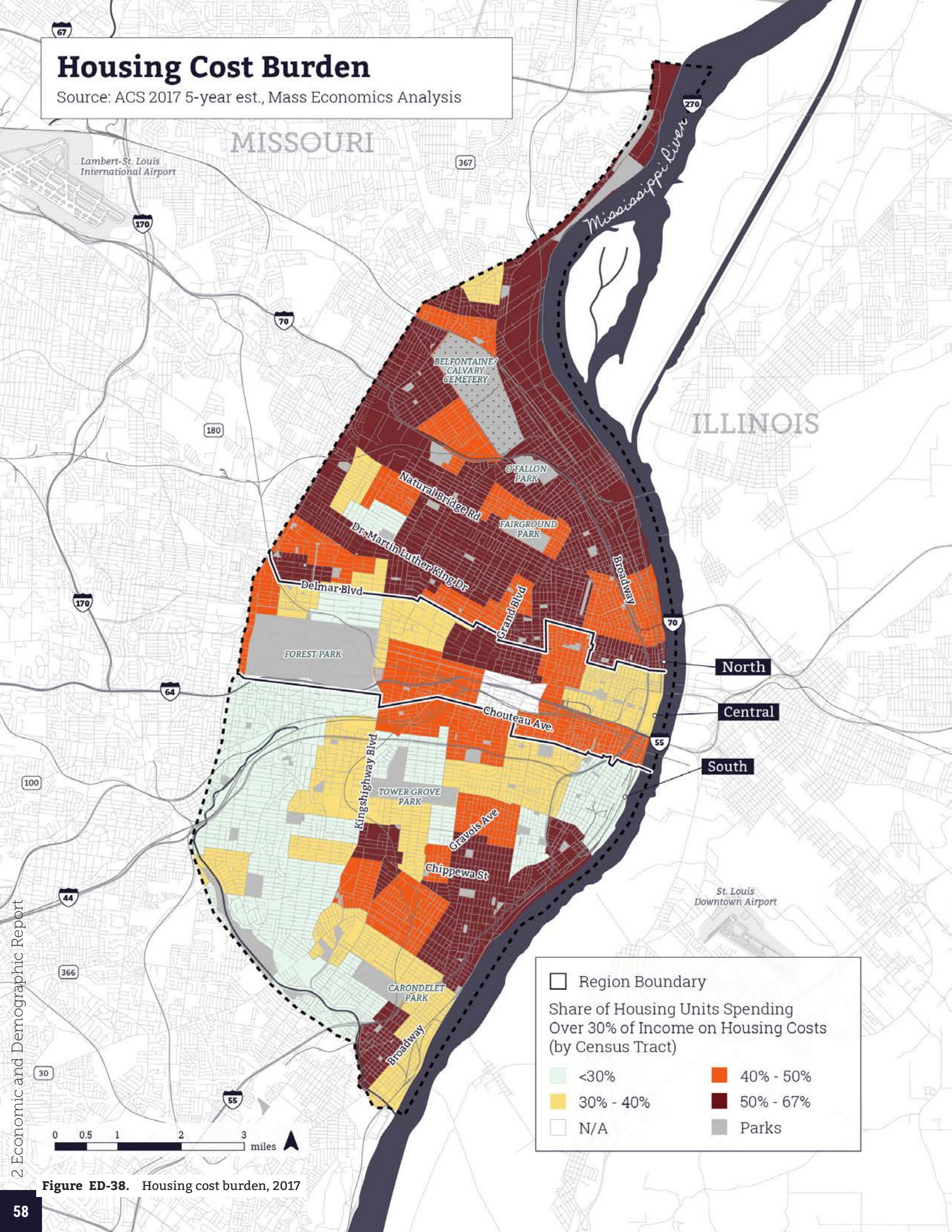


Figure ED-38. Housing cost burden, 2017

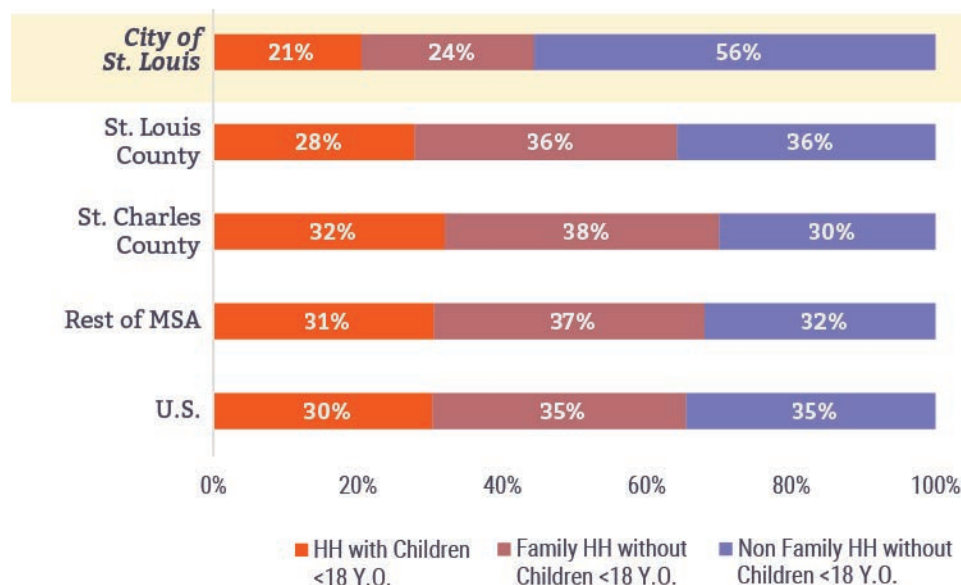


## Household type

In 2018, most of the city's households were non-family (i.e., people living alone or with unrelated roommates) without school-aged children. Just over one-fifth of households were families with children under the age of 18, and under one-quarter of households were families without children. This composition reflects a drop-off in family households with school-aged children, which declined in the city by 12% from 2010 to 2018. While family households with school-aged children declined across the region and U.S., the city experienced the steepest decline. (See Figures ED-39 and ED-40.)

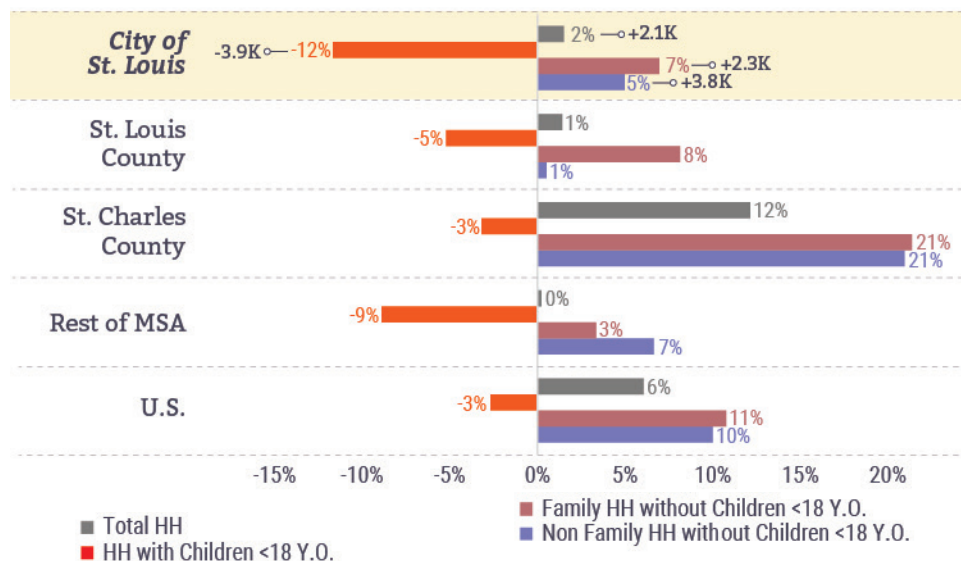
The loss of families with children in the City of St. Louis has been concentrated among Black/African American families. Overall, the city lost 4.8K Black/African American families with children under 18, a decline of 24% from 2010 levels. The number of families with children increased for families of other races, including white families; the increase in white families in the city is a contrast to trends nationally and in St. Louis County, which both experienced declines in white families with children. (See Figure ED-41.)

**Figure ED-39.** Household type, 2018



Source: U.S. Census Bureau American Community Survey, 2018 1-year release; Mass Economics analysis.  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties

**Figure ED-40.** Growth by household type, 2010-2018



Source: U.S. Census Bureau American Community Survey, 2010 and 2018 1-year release; Mass Economics analysis  
Note: Refers to the portion of the MSA without the City of St. Louis and St. Louis and St. Charles Counties; the MSA definition changed in 2013 to exclude Washington County, which represents a fraction of a percent of the MSA population

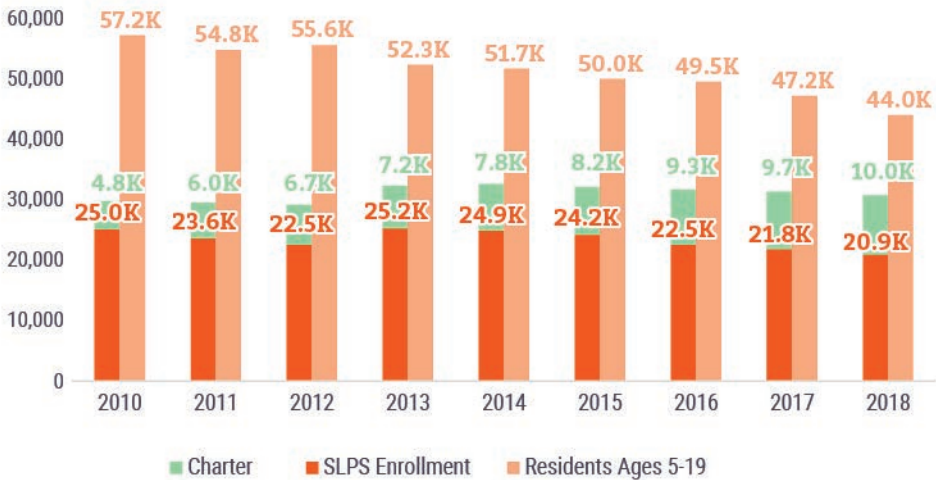
**Figure ED-41.** Delta (% change) in total family households with children under 18 years old, 2010-2018

	Total	White (Including Hispanic)	Black/African American (Including Hispanic)	Other ([Total] - [White] - [Black/African American])
City of St. Louis	-3.6K (-11%)	60 (1%)	-4.8K (-24%)	+1.2K (94%)
St. Louis County	-6.8K (-6%)	-8.0K (-10%)	-2.0K (-6%)	+3.2K (38%)
U.S.	-1.0M (-3%)	-1.2K (-5%)	-341.0K (-6%)	+531.7K (10%)

Source: U.S. Census Bureau American Community Survey 2010 and 2018 1-year release; Mass Economics analysis

The changing composition of the city's households goes hand in hand with a changing demand for services. Along with a decline in city residents ages 5 to 19, the St. Louis Public Schools (SLPS) district has experienced declining enrollment levels, but Charter school enrollment in the city has surged. In 2010, SLPS enrolled approximately 25,000 students; by 2018, its enrollment had dropped to under 21,000. During the same period, Charter school enrollment in the city more than doubled, growing from 4.8K in 2010 to 10.0K in 2018. Despite the drop in SLPS enrollment, a greater share of city residents ages 5 to 19 were enrolled in SLPS in 2018 than in 2010 (47% in 2018 vs. 44% in 2010). (See Figure ED-42.)

**Figure ED-42.** SLPS and Charter school enrollment in the city compared to number of city residents ages 5-19, 2010-2018



Sources: Missouri Department of Elementary and Secondary Education; District Demographic Data. (2019, September 21). Retrieved from Missouri Department of Elementary and Secondary Education website: [https://apps.dese.mo.gov/MCDS/Reports/SSRS\\_Print.aspx](https://apps.dese.mo.gov/MCDS/Reports/SSRS_Print.aspx). U.S. Census Bureau American Community Survey, 2010-2018 1-year release; Mass Economics analysis



# LAND

## Overview

The City of St. Louis spans 39,600 acres – approximately 62 square miles – and represents about 0.7% of the MSA’s land area. The city is much denser than St. Louis County and the rest of the St. Louis MSA, with a population density of about 4,890 people per square mile, far surpassing the County’s 1,960 people per square mile and the rest of the MSA’s 190 people per square mile. After adding in employment to create an activity density based on both jobs and population, the city’s density advantage becomes even more apparent: the City of St. Louis has approximately 8,120 residents and jobs per square mile, compared to 3,060 in St. Louis County and 240 in the rest of the region. (See Figure ED-43.)

Figure ED-43. Employment and population density, 2018

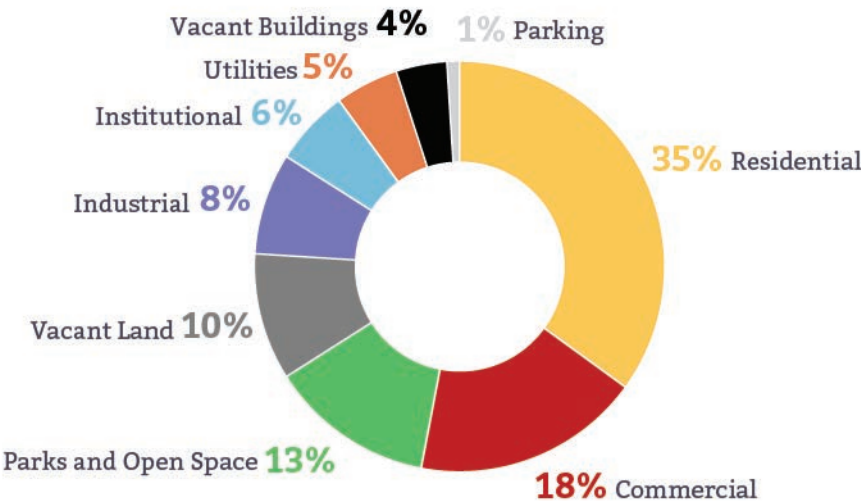
Geography	Population 2018	Private Jobs 2018	Land Area (sq. mi.)	Population Density	Activity (Population + Employment) Density
City of St. Louis	302.8K	200.1K	61.9	4,890	8,120
St. Louis County	996.9K	556.0K	507.8	1,960	3,060
Rest of MSA	1,504.9K	416.0K	8,053.5	190	240

Source: U.S. Census Bureau American Community Survey, 2018 1-year release; QCEW-UDP; Mass Economics analysis  
Note: Rest of MSA refers to the portion of the MSA without the City of St. Louis and St. Louis County

## Land use

Much of the city’s land does not generate tax revenue. About 40% of the city’s land is tax-exempt, with 7.3% owned by nonprofits and 32.5% consisting of parks or government-owned land.<sup>17</sup> The plurality of the city’s land is used for residential purposes (35%), followed by commercial uses (18%), and parks and open space (13%).<sup>18</sup> (See Figures ED-44, ED-45, and ED-46.)

Figure ED-44. Land use chart



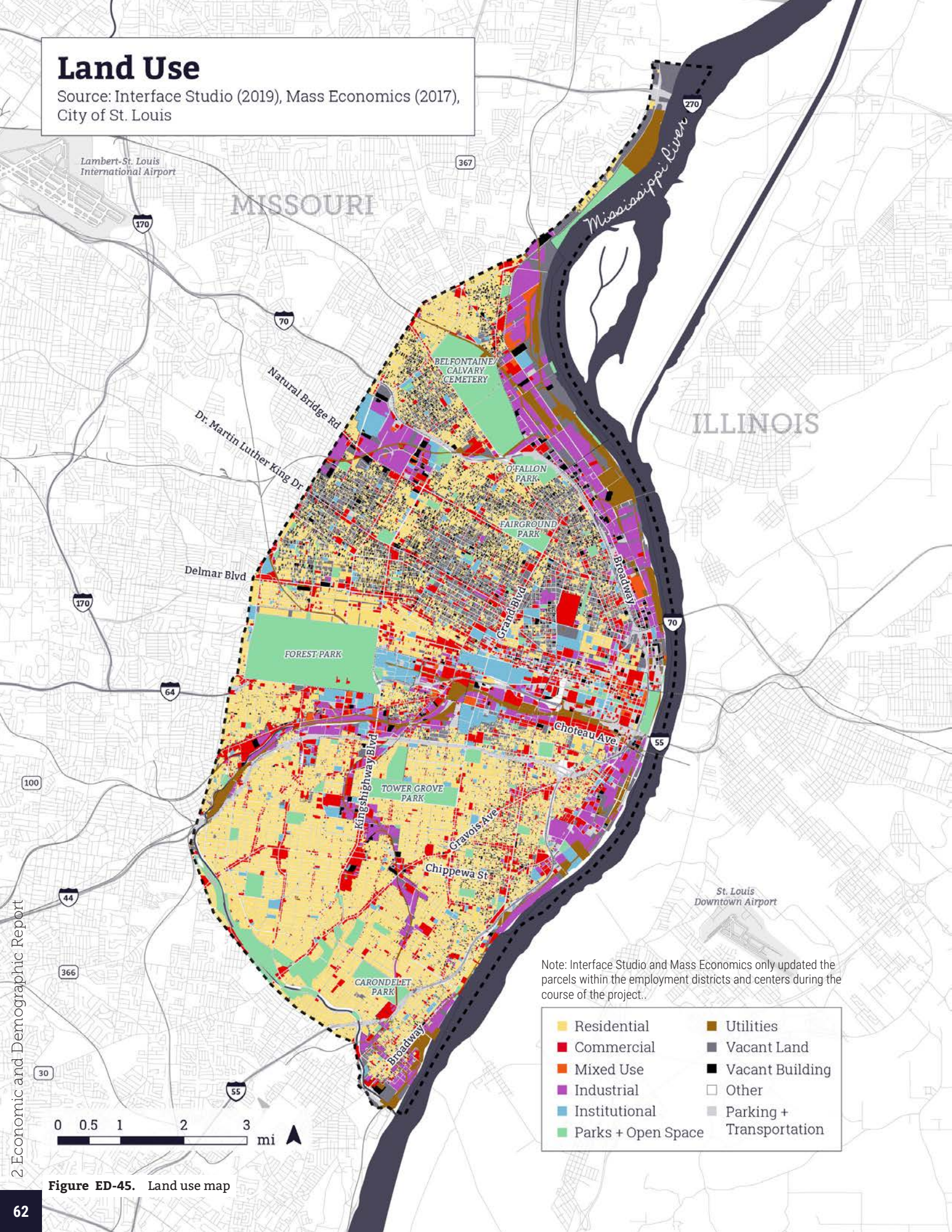
Source: City of St. Louis; Mass Economics (2017); Interface Studio (2019)

17 City of St. Louis parcel assessor data; Vacancy Collaborative, Vacancy Portal; Mass Economics analysis  
18 According to St. Louis County parcel assessor data, about 19% of the County’s land is tax-exempt, about half the City’s share. The majority of the County’s land is used for residential purposes (60%), followed by commercial uses (13%). It is worth noting that the St. Louis County land use data is not perfectly comparable to the City of St. Louis land use data, as the project team validated the city data by conducting on-the-ground surveys.



# Land Use

Source: Interface Studio (2019), Mass Economics (2017), City of St. Louis



Note: Interface Studio and Mass Economics only updated the parcels within the employment districts and centers during the course of the project.

Figure ED-45. Land use map



# Public Ownership

Source: City of St. Louis

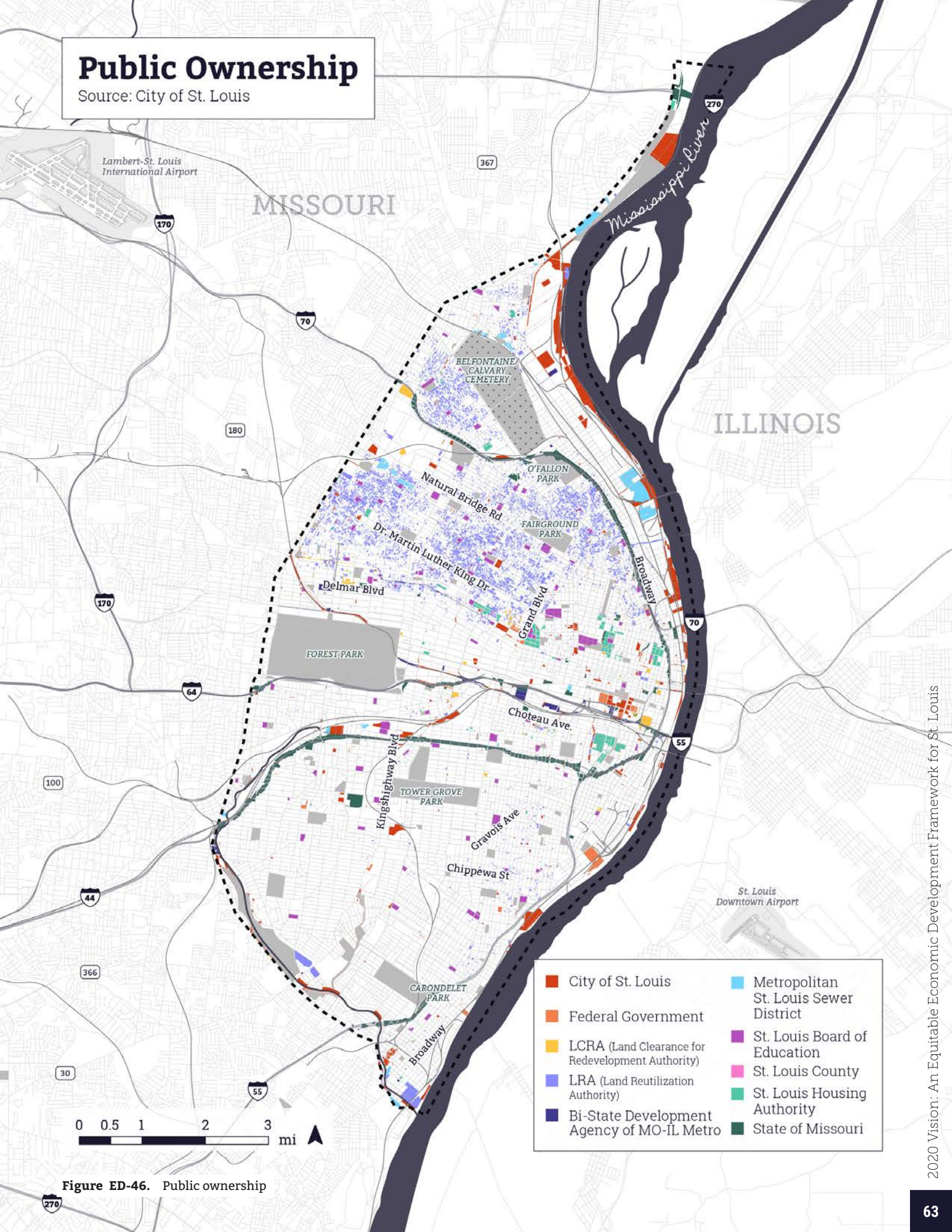


Figure ED-46. Public ownership

## Vacancy

Vacancy affects a large portion of the city's fabric. Although there are vacant parcels across the city, the bulk of the vacancy is concentrated in the north. (See Figure ED-48.)

For the City of St. Louis, an added challenge arises from the fact that almost all the city's vacant parcels are less than one-half acre in size. (See Figure ED-47.) These smaller parcels – many of which are scatter-site residential – would have to be assembled in order to undertake larger-scale development, adding barriers to the development process and potentially deterring prospective developers. Much of the vacancy is proximate to active residential uses, which brings down property values, reduces home equity (thereby limiting access to capital for education and other opportunities), and creates dis-amenities for neighboring households.

**Figure ED-47.** Vacant parcel distribution by size in the city

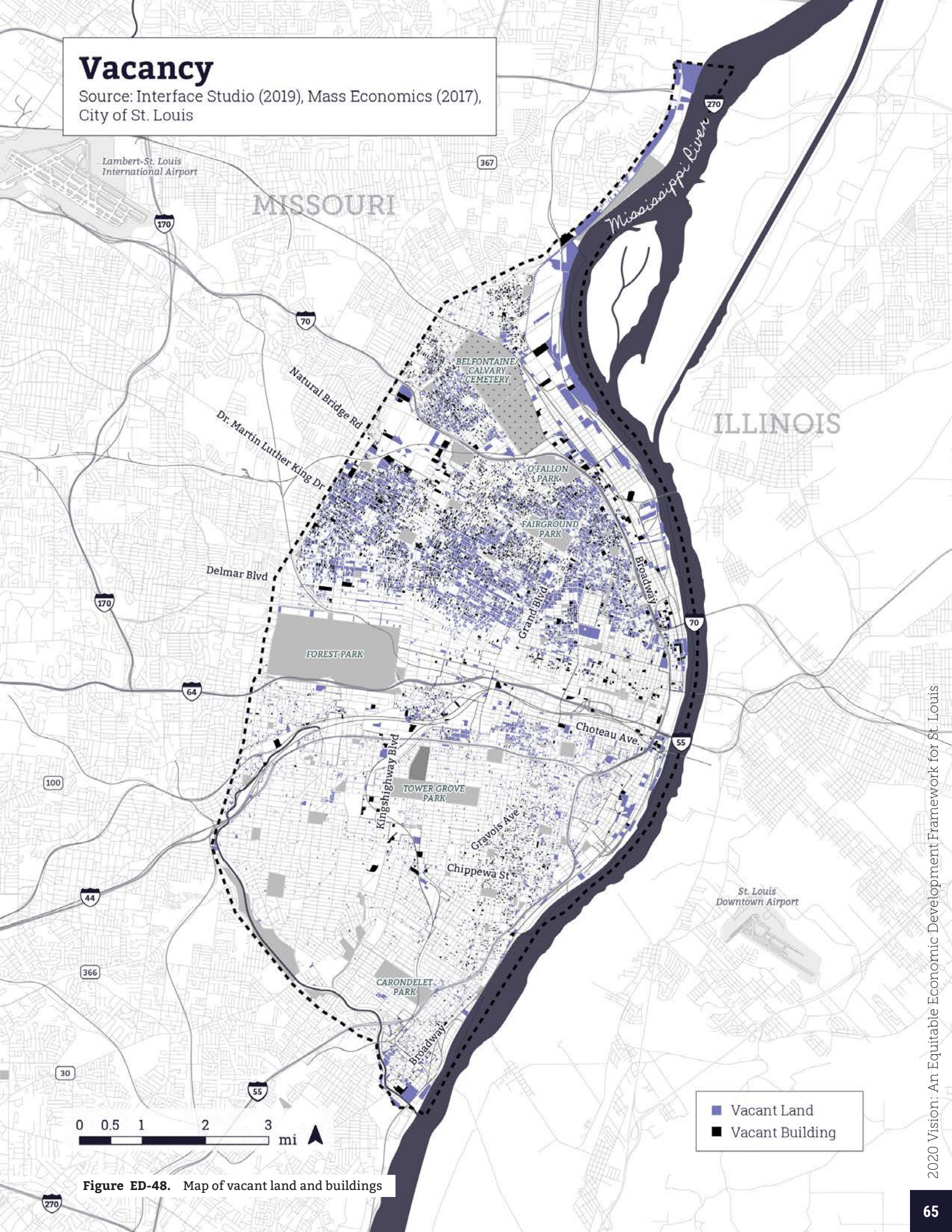
Vacant Parcel Size	Parcel Count	Share of Vacant Parcels
Less than half an acre	27,653	97.6%
0.5 – 1 acre	317	1.1%
1 – 2 acres	184	<1%
2 – 5 acres	131	<1%
5 – 10 acres	36	<1%
10 – 20 acres	16	<1%
20 – 30 acres	6	<1%
Greater than 30 acres	2	<1%

Source: Interface Studio (2019), Mass Economics (2017), City of St. Louis



# Vacancy

Source: Interface Studio (2019), Mass Economics (2017), City of St. Louis



- Vacant Land
- Vacant Building

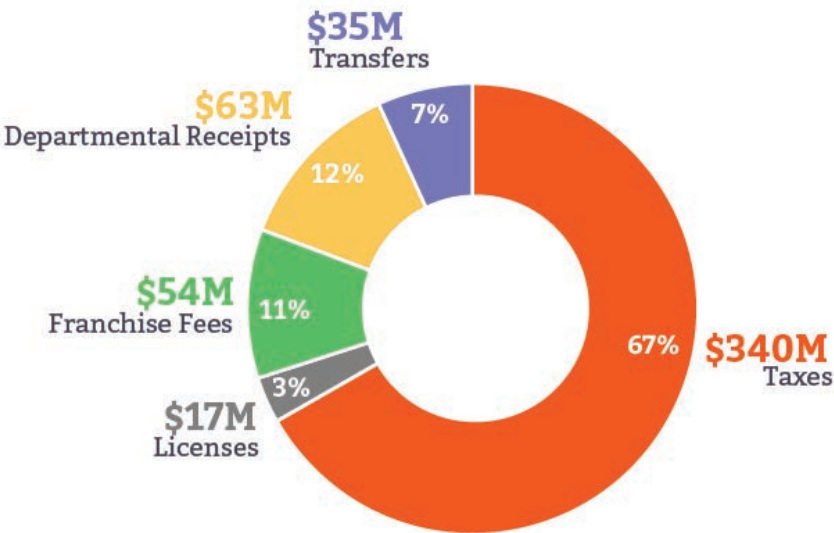
Figure ED-48. Map of vacant land and buildings



# FISCAL CONDITIONS

In 2018, the City of St. Louis employed 6.7K people and maintained a budget of \$1.1 billion, which consists of the general fund (\$513.1 million), special revenue and other funds (\$319.0 million), and enterprise funds (\$226.4 million).<sup>19,20</sup> Two-thirds of the city's general fund revenues come from taxes, with the remainder coming from departmental receipts, franchise fees for utilities, and transfers and licenses. (See Figure ED-49.) The city has several primary sources of tax revenues. Earnings taxes are a 1% tax on earnings for city residents and nonresidents working in the city, and corporations pay a 1% tax on profit; property taxes are paid on real and personal property; sales taxes are paid on qualifying retail transactions in the city; and payroll taxes are a 0.5% tax paid by for-profit employers on gross compensation of employees working in the city.<sup>21,22,23,24</sup>

**Figure ED-49.** Distribution of city general fund revenues, 2018



Source: Revenue Estimates; FY 2020. (2019). City of St. Louis, Missouri

19 Comprehensive Annual Financial Report. (2018). [https://www.stlouis-mo.gov/government/departments/comptroller/documents/upload/CityofStLouisMO\\_CAFR-FY18.PDF](https://www.stlouis-mo.gov/government/departments/comptroller/documents/upload/CityofStLouisMO_CAFR-FY18.PDF)

20 Executive Summary: FY2019 Annual Operating Plan. (n.d.). City of St. Louis Budget Division. <https://www.stlouis-mo.gov/government/departments/budget/documents/upload/FY19-AOP-Executive-Summary-as-adopted.pdf>

21 Earnings Tax [22]. (n.d.). Retrieved from City of St. Louis website: <https://www.stlouis-mo.gov/government/departments/collector/earnings-tax/index.cfm>

22 Comprehensive Annual Financial Report. (2018). City of St. Louis, Missouri. [https://www.stlouis-mo.gov/government/departments/comptroller/documents/upload/CityofStLouisMO\\_CAFR-FY18.PDF](https://www.stlouis-mo.gov/government/departments/comptroller/documents/upload/CityofStLouisMO_CAFR-FY18.PDF)

23 Project interviews and roundtables

24 Executive Summary: FY2020 Annual Operating Plan. (n.d.). City of St. Louis Budget Division. <https://www.stlouis-mo.gov/government/departments/budget/documents/upload/FY20-AOP-Executive-Summary-ALL.pdf>

Earnings taxes are the biggest source of tax revenue, making up 34% of general fund revenues in 2018, followed by property tax (12%), sales (11%), and payroll (7%). The remaining 4% of tax revenues come from gasoline taxes, automobile sales tax, and intangible taxes.<sup>25</sup> Of earnings, property, and sales tax revenues, earnings tax revenues are the least volatile.<sup>26</sup>

25 Revenue Estimates, FY 2020. (2019). City of St. Louis, Missouri. <https://www.stlouis-mo.gov/government/departments/budget/upload/FY20-Revenue-Book.pdf>

26 According to a presentation prepared by the City of St. Louis to the Ways and Means Committee, earnings tax revenues show steady annual growth rates over 3-year, 5-year, and 10-year horizons. See: City of St. Louis Earnings Tax Discussion. (2016, January). Presented at the Ways and Means Committee. Retrieved from <https://www.stlouis-mo.gov/government/departments/budget/documents/upload/Earnings-Tax-Presentation-to-Ways-and-Means-1-13-16-2.pdf>

Personnel-related expenses (salaries, benefits, and pensions) are one of the largest areas of general fund expenditures. (See Figure ED-50.) Although the number of people employed by the City of St. Louis declined from 7.1K in 2010 to 6.6K in 2018, overall city pension costs increased from \$60.7M to \$84.8M over the same period.<sup>27</sup>

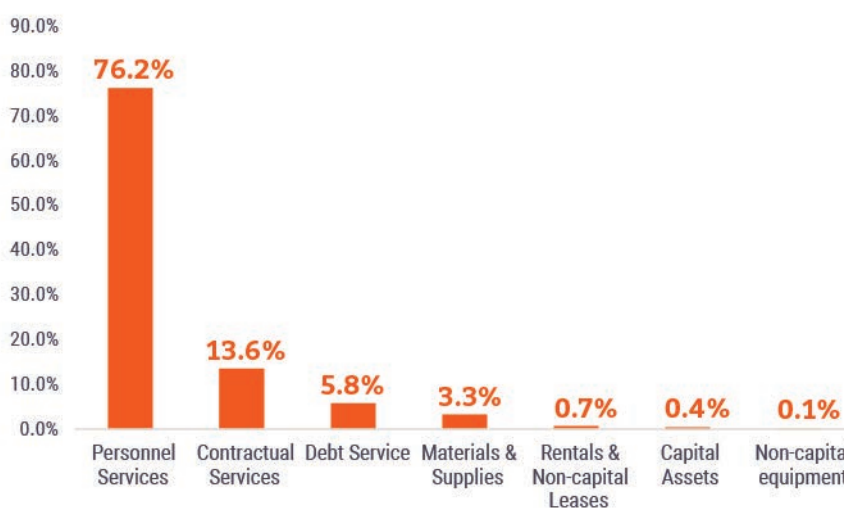
27 City of St. Louis Proposed FY2020 Annual Operating Plan, Presented to the Ways and Means Committee, May 14, 2019, <https://www.stlouis-mo.gov/government/departments/budget/documents/upload/FY2020-Budget-Presentation-to-W-M.pdf>

The city's revenue base is structured in a way that links employment growth with revenues, but population loss and low levels of city retail sales may constrain the city's revenue growth opportunities. The city's increased budgetary reserves (6% in FY 2020 budget) show a sustained commitment to fiscal solvency, but potential concerns range from a national recession, to deferred capital maintenance, to outdated fee structures and high pension costs.<sup>28,29</sup>

28 City of St. Louis, MO Office of the Comptroller. (2019). Long Range Financial Plan Update. Retrieved from <https://www.stlouis-mo.gov/government/departments/comptroller/documents/upload/St-Louis-Long-Range-Financial-Plan-2019.pdf>

29 Executive Summary: FY2020 Annual Operating Plan. (n.d.). City of St. Louis Budget Division. <https://www.stlouis-mo.gov/government/departments/budget/documents/upload/FY20-AOP-Executive-Summary-ALL.pdf>

**Figure ED-50.** Major expenditure accounts for the city's general fund, 2018



Source: City of St. Louis Expenditure Data, 2018; Mass Economics analysis

While not concentrated on the city's finances, implementation of the framework in this plan will nonetheless support the city's fiscal condition and bolster its primary revenue streams. Opportunity to thrive is a central component of the strategies; linking city residents to quality job opportunities and improving residential quality of life and economic opportunity can increase earnings and payroll taxes, as well as local spending and sales tax revenues. The framework's focus on clusters and job growth stands to increase earnings and payroll taxes, and

the central role of land utilization supports revenues derived from property taxes and could reduce public and private costs associated with maintaining vacant and blighted land. Similarly, the focus on place and intentionally organizing activity around the employment centers and districts will amplify activity density and potentially reduce costs to provide services. Focusing on all three areas – opportunity to thrive, clusters, and place – simultaneously can help to slow and eventually reverse population decline.

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